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Chairman: Mr. Ali. (Malaysia)

*Chairman of the Advisory Committee on Administrative
and Budgetary Questions:* Ms. McLurg

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The meeting was called to order at 3.05 p.m.

Agenda item 126: Review of the efficiency of the administrative and financial functioning of the United Nations (continued)

Procurement (A/61/846 and Add.1; A/62/525 and A/62/721)

1. **Mr. Buades** (Chief, Procurement Service), introducing the comprehensive report of the Secretary-General on United Nations procurement activities (A/62/525), recalled that the report of the Secretary-General on procurement reform (A/60/846/Add.5 and Corr.1) had been considered by the Committee in June 2006. Following adoption by the General Assembly of its resolution 61/246 and taking into account resolutions 61/276 and 61/279, the Procurement Division had introduced a number of measures to strengthen internal control, optimize acquisition processes and enhance the strategic management of United Nations procurement activities. The report of the Secretary-General now being introduced (A/62/525) provided an update on the implementation of the procurement reform programme.

2. In order to facilitate the development and implementation of procurement reform measures, the Procurement Division had established the Procurement Reform Implementation Team, mandated to coordinate and implement reform initiatives and subsequent measures. One of the Team's most significant achievements was the development of a procurement training programme including modules on best value for money and ethics and integrity in procurement activities, and a module for staff serving on local committees on contracts at duty stations outside Headquarters. The training programme had begun with a pilot session in the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC) in May 2007. By the end of May 2008 a total of 35 sessions would have been held at peacekeeping and other duty stations, training over 1,000 staff members involved in the acquisition of goods and services for the Organization.

3. The Procurement Reform Implementation Team had also contributed to updating the Procurement Manual and to a proposal for the streamlining of the vendor registration system, which would first be implemented at Headquarters as a pilot programme. Other initiatives currently under way included the

development of ethics guidelines for staff engaged in procurement activities and of the independent bid protest system, and the establishment of a senior vendor review committee. Those initiatives should be finalized by summer 2008. The Procurement Division was also working with the Department of Public Information to improve its internal and external communication policy so as to highlight that the procurement process was robust, fair and transparent. To that end, a fact sheet on multifunctional contract arrangements at the African Union-United Nations Hybrid Operation in Darfur (UNAMID) and a briefing report were available for delegations to consult.

4. In 2007, the Procurement Division had established the Planning, Compliance and Monitoring Section, responsible for coordinating acquisition planning and monitoring compliance with procurement policies, guidelines and procedures. In 2007, the Section had organized management visits to peacekeeping missions in order to inform peacekeeping personnel of latest policy and best practices. It also acted as a focal point for audits of procurement activities and was responsible for reviewing and implementing the findings and recommendations of oversight bodies.

5. The General Assembly had reiterated its request to increase procurement opportunities for developing countries and countries with economies in transition. That issue was of the highest priority for the Under-Secretary-General for Management. As requested by the General Assembly, the Vendor Registration and Management Team had been established in 2007, and had started working with Member States to explore opportunities for further collaboration, including the continuation and improvement of the business seminar programme — a key vehicle for relaying information on vendor registration and United Nations business opportunities. The Team had held a series of planning meetings with Member States — in which representatives of 64 Member States had participated — and had embarked on the review of the vendor database in order to update vendor information. In April 2008 it would also begin a pilot programme for streamlining vendor registration at Headquarters. In that regard, the Secretariat was currently in discussions with the United Nations Office for Project Services (UNOPS), which had taken over the management responsibility of the United Nations Global Marketplace. Once the pilot programme had been successfully implemented, the

Team would deploy the new vendor registration procedures to peacekeeping and other duty stations so as to increase procurement opportunities for vendors from developing countries and countries with economies in transition. At the same time, the Team continued to conduct the due diligence programme in order to identify vendors or principals with questionable business practices that had been reported in the public domain or by oversight/investigating bodies.

6. Improved communication with peacekeeping missions was of the utmost importance, especially since most of the Organization's procurement activities were for field missions and carried out under the procurement authority delegated by Headquarters. The Procurement Division had established a field liaison unit within the Field Procurement Section in order to improve liaison with field procurement officers by providing them with policy and technical guidance in a timely manner.

7. Following the Committee's previous discussions on governance issues, procurement reform and strengthening the capacity of the United Nations to manage and sustain peacekeeping operations, the Procurement Division's governance structure had been reinforced with the establishment of one D-2 post and two D-1 posts. The Departments of Management and Field Support had also agreed on general principles for an immediate improvement of the governance structure of procurement functions at Headquarters and in peacekeeping missions. The Secretariat was currently reviewing a proposal to co-locate the Procurement Division with the operational and logistic functions of the Department of Field Support in order to improve synergy and prioritization, without transferring resources between the Departments. A matrix-based approach would also be implemented. A report on governance issues would be provided at a future session.

8. Procurement Task Force activities had revealed a pressing need to establish stronger vendor management capacity and various internal control measures. In keeping with the guidance of the High-level Committee on Management, the Procurement Division had participated in the newly established High-level Committee on Management-Procurement Network and was working closely with member organizations of the United Nations system to develop a unified approach to

such vendor management issues as the suspension or renoval of vendors.

9. With regard to new initiatives and challenges, the Procurement Division was actively participating in system-wide initiatives to increase awareness of the concept of sustainable procurement. In order to address environmentally friendly and sustainable procurement, the Secretariat required specific expertise in that area. Staff training was needed, as were new technical specifications for goods in order to promote sustainability in the Organization's procurement activities.

10. The surge in peacekeeping-related procurement continued with new missions in Darfur, Chad and, in all likelihood, Somalia. The Procurement Division would need not only to meet the immediate requirements for deployment to new missions, but also to enhance its in-house expertise in cost analysis in connection with the complex logistical requirements of new missions. There was also an urgent need for expertise in managing procurement in connection with complex information technology support, as in the case of the enterprise resource planning system, the talent management system and applications relating to the management of fuel and food contracts. In that connection the Procurement Division needed to take full advantage of the enterprise resource planning system and ensure its early implementation as a way of improving internal control and oversight of procurement activities throughout the Organization.

11. Any requests and their related resource requirements would be submitted to the Committee for review in the context of the support account for peacekeeping operations for the period from 1 July 2008 to 30 June 2009.

12. The Secretariat had made great strides in addressing past inadequacies and had made every effort to address delegations' concerns. However, although much had been accomplished over the last 18 months, many challenges remained. The Secretariat therefore sought delegations' support for the ongoing procurement reform.

13. **Ms. Ahlenius** (Under-Secretary-General for Internal Oversight Services), introducing the report of the Office of Internal Oversight Services (OIOS) on the audit of the application of the best value for money principle in United Nations procurement (A/61/846), recalled that the General Assembly, in its resolution

60/259, had requested the Secretary-General to entrust OIOS to submit a report on the use of the best value concept in the evaluation and award of procurement contracts in order to identify any possible misuse of the principle. In response, OIOS had undertaken an audit of the application of the best value for money principle with the overall objective of determining whether it was clearly defined and consistently applied in awarding contracts.

14. The Secretariat had not provided the legislative bodies with a clarification of the best value for money principle prior to its adoption. Nor had the principle been fully explained since its adoption. That failure to clarify the best value principle had precluded legislative bodies and managers and staff involved in procurement from reaching a common understanding of the results to be expected from its use, which, in turn, had precluded OIOS from determining whether the best value for money principle had been appropriately applied.

15. Her Office had, however, noted a number of weaknesses in the application of the principle. First, there was no specific evidence that the Secretariat had increased procurement from developing countries and countries with economies in transition, notwithstanding the commitment made by Member States. Second, there was no specific evidence that international competition was effectively achieved in procurement. In order to achieve the best value for money, all suitable and available sources of goods and services should be given an opportunity to participate in the Organization's procurement. Third, the Procurement Manual set out a weight-based methodology to achieve best value for money in evaluating bids received in response to requests for proposal, but did not prescribe the use of the best value for money evaluation method for requests for quotation and invitations to bid, the two other types of solicitations used by the United Nations. Fourth, in all cases tested by OIOS where the best value for money evaluation methodology had been used, the corresponding procurement files had contained insufficient documentation to demonstrate that a "best value" concept had been properly formulated and translated into specific vendor evaluation criteria. Fifth, the extent of supervision exercised by Procurement Division management to ensure the fullest application of the principle had not been evident in the procurement case files and management information on the application of the best

value for money principle had not been readily available, hindering efforts to monitor and assess its application.

16. To address the weaknesses highlighted, OIOS had issued three recommendations aimed at clarifying the best value for money principle and at strengthening management controls in the Procurement Division. The Administration had agreed, in principle, with the general assessment of OIOS that certain areas were in need of further improvement and had accepted the broad recommendations made. However, it did not subscribe to some of the findings and conclusions contained in the OIOS report, as indicated in the related report of the Secretary-General (A/61/846/Add.1).

17. The Administration had since provided updates on its efforts to implement the recommendations, as indicated in the comprehensive report of the Secretary-General on United Nations procurement activities (A/62/525). On the basis of that update, OIOS had closed one recommendation and considered two other recommendations in progress.

18. **Mr. Buades** (Chief, Procurement Service), introducing the note by the Secretary-General on the report of OIOS on the audit of the application of the best value for money principle in United Nations procurement (A/61/486/Add.1), said that the Secretariat agreed, in principle, with the general findings of OIOS that some aspects of the application of the best value for money principle needed improvement and accepted its three recommendations for addressing weaknesses. However, the Secretariat disagreed with some of the specific findings and conclusions of OIOS.

19. The Secretariat did not agree with OIOS that the Procurement Division applied the best value for money principle inconsistently. Being holistic or all-inclusive, and embedded in the procurement process or supply chain, the principle took into consideration the total cost of acquisition, as well as non-cost factors such as stakeholders' requirements, market environment and other related events and risks. Its aim was to optimize the acquisition process as a whole, from conception to execution. As a result, it must cover requisitioning offices and contract management staff, and possibly others, even though they were technically outside the procurement control and operations structure.

20. The findings of OIOS did not substantiate the conclusion that Procurement Division processes failed to ensure effective international competition, a policy of the Organization enshrined in the Procurement Manual. Statistics from the Procurement Division's vendor database showed that 85 per cent of the registered vendors had been invited to participate in one or more solicitations, based on the commodity code under which the vendor was registered. That represented 96 per cent of the countries registered in the vendor database. A total of 1,323 vendors had been awarded one or more contracts.

21. The Secretariat believed that an in-depth review of procurement from developing countries and countries with economies in transition should take place before any definite conclusions were reached. However, recent examples of the application of the best value for money principle showed greater procurement volume and value, suggesting positive effects on contract prices and opportunities for vendors in those countries.

22. The Procurement Division had already improved the application of the best value for money principle by updating the Procurement Manual and by devising a training module for all procurement staff at Headquarters, offices away from Headquarters and peacekeeping missions, and for members of the Headquarters Committee on Contracts and local committees on contracts. The new filing system introduced in 2007 had improved oversight of the Division's activities, while the ongoing updating of the vendor database would make the procurement process more accurate and effective. Increased focus on sourcing would help the Organization to achieve both effective international competition and best value for money. The Secretariat would continue to develop tools, templates and checklists to improve the application of the best value for money principle.

23. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee on United Nations procurement activities (A/62/721), said that the Advisory Committee recommended that the General Assembly, subject to the Advisory Committee's comments, should take note of the Secretary-General's report.

24. A number of procurement-related measures requested by the General Assembly in its resolutions

61/246, 61/276 and 61/279 and figuring in the recommendations of the Office of Internal Oversight Services and the Procurement Task Force had not yet been covered in the Secretary-General's reform proposals. They included streamlined procurement procedures for peacekeeping operations in the field; defining the respective responsibilities of the Department of Management and the Department of Field Support in the procurement process; and strengthened monitoring, oversight and accountability. The Advisory Committee noted that those matters were due to be addressed in a comprehensive report on procurement governance to be submitted by the Secretary-General in May 2008.

25. The Advisory Committee had noted the implementation of a series of measures for improving internal control mechanisms, in particular in the area of ethics, integrity and conflict of interest, and that proposals had been made to optimize the acquisition and procurement management processes. However, there was not yet a common understanding of the definition or the application of the best value for money principle. As efficient management of procurement activities required integrated, real-time information systems, the Advisory Committee trusted that such requirements would be fully addressed in the context of the forthcoming detailed report of the Secretary-General on the enterprise resource planning system. The Advisory Committee also emphasized the need to intensify coordination and cooperation among the organizations of the United Nations system, in order to fully exploit the potential for achieving significant savings and efficiencies.

26. Noting the progress made in increasing procurement from developing countries and countries with economies in transition, the Advisory Committee encouraged the Secretariat to implement the proposals described in the Secretary-General's report and to further pursue its efforts in that regard.

27. The Advisory Committee hoped that the scope of the Secretary-General's comprehensive report on United Nations procurement activities (A/62/525) would be broadened to include more evidence and analysis, in order to facilitate the General Assembly's assessment of the progress being reported and the impact of the activities accomplished.

28. **Ms. Bizilj** (Slovenia), speaking on behalf of the European Union; the candidate countries Croatia, the

former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania, Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, Armenia, Liechtenstein and Ukraine, said that the sharp increase in the volume of procurement had given rise to new risks and technical challenges, creating a need for a strict policy of transparency, efficiency and adherence to the four basic principles governing procurement contained in the Financial Regulations and Rules (ST/SGB/2003/7).

29. While the European Union looked forward to the presentation of the comprehensive report on procurement governance to be submitted by the Secretary-General in May 2008, and welcomed the proposals already made for enhancing international control of procurement, improving application of the best value for money principle, reinforcing ethics standards and introducing an independent bid protest system, more remained to be done. The Advisory Committee recommendations were a good starting point for addressing the outstanding issues. Lastly, as several of the reports on procurement had been issued at the sixty-first session, her Group would like updated information on the matters which they had covered.

30. **Mr. Hunte** (Antigua and Barbuda), speaking on behalf of the Group of 77 and China, said that the Group was actively involved in United Nations procurement reform. It had made proposals aimed at increasing the efficiency, transparency and cost-effectiveness of United Nations procurement; stressed the importance of strengthening the Secretary-General's accountability to Member States; supported ethics and integrity training for staff, including at senior levels; and strongly affirmed that increasing procurement opportunities for vendors from developing countries was an integral and fundamental part of United Nations procurement reform. Equal, fair and non-discriminatory access must be given to companies from developing countries.

31. Rather than responding to the requests made in previous General Assembly resolutions, as the Group had hoped, the Secretary-General's report (A/62/525) once again focused mainly on the strengthening of internal controls, the optimization of the acquisition process and the strategic management of United Nations procurement. In essence, the report simply provided information about procurement activities during the past year and indicated that the Secretary-

General would continue to provide updates on progress in reforming procurement.

32. The Group welcomed the Procurement Division's efforts to implement reform and the establishment of the Vendor Registration and Management Team, and looked forward to receiving detailed information on the progress made in diversifying vendors, simplifying vendor registration and managed the vendor database. It regretted, however, that many issues were still pending and, in that connection, stressed once again the need for a comprehensive report that took full account of procurement needs in the field and at Headquarters. Despite recognition of the need for urgent and overall reform, the Secretariat had made no attempt to review policies and procedures in order to improve procurement in peacekeeping operations. A piecemeal approach to procurement reform must be avoided.

33. The Group welcomed the Advisory Committee's report (A/62/721) and was confident that the recommendations contained therein would help the Fifth Committee to make progress at the first part of the resumed session. The Secretary-General should pursue his efforts to explore innovative ways to promote procurement from developing countries and countries with economies in transition; he regretted, in that regard, that in October 2007 there had been 987 registered vendors from developing countries and countries with economies in transition and 4,377 from industrialized countries.

34. The need for comprehensive reform had been highlighted by events at the main part of the sixty-second session, in particular the Secretary-General's decision to utilize a single-source contract without competitive bidding in the context of UNAMID. Recalling that, in its resolution 62/232, the General Assembly had requested the Secretary-General to take immediate action to supply goods and services in compliance with the established procedures for procurement, based on international competitive bidding and the widest possible geographical base of procurement, and had reaffirmed the need for the procurement system to be transparent, open, impartial and cost-effective, based on competitive bidding and fully reflecting the international character of the United Nations, he said that the Group looked forward to the comprehensive OIOS review of the use of the extraordinary measures for UNAMID requested by the General Assembly. In that regard, he expressed concern

about the Secretariat's handling of the contract, and asked the Secretariat to clarify, in a formal meeting, the information contained in an article published recently by Inner City Press.

35. The observations and recommendations contained in the OIOS report (A/61/846) reinforced the need for a comprehensive report on procurement and had the Group's full support. The Secretariat should act to change the perception among vendors in developing countries that their bids were not competitive. Noting the usefulness of the OIOS report, he requested the presence of an OIOS representative in the informal consultations.

36. With regard to procurement opportunities for vendors from developing countries, the Secretariat should clarify why there had been more business seminars in industrialized countries than in developing countries in 2006 and 2007; explain that criteria had been used to determine that in 2006 the percentage of United Nations procurement from developing countries and countries with economies in transition had reached 53 per cent, given that the Secretary-General himself had acknowledged that the United Nations faced difficulties in accurately reflecting the full extent to which developing countries and countries with economies in transition actually benefited from United Nations procurement opportunities; provide a list of countries that had hosted business seminars since the adoption of resolution 61/246; and provide information as to the impact of such seminars on vendor registration and on the participation of vendors from developing countries in United Nations procurement.

37. The Group would also appreciate further clarification of the concept of "green" or environmentally friendly procurement. The General Assembly had not yet approved such a concept, and the relevant criteria would need to be discussed before any budgetary proposals or amendments to the Procurement Manual could be considered. The Group was concerned about the possible implications of such a concept for the diversification of vendors, since companies could be arbitrarily refused for not being green enough.

38. Lastly, he reiterated that the reform agenda was determined by Member States, not by the Secretariat. Member States, therefore, should continue to determine the course of United Nations procurement reform.

39. **Ms. Rovirosa** (Mexico), speaking on behalf of the Rio Group, reiterated the need to continue

improving the efficiency, transparency and cost-effectiveness of the United Nations procurement system. The Group welcomed the progress made by the Procurement Division in implementing reform and the establishment of the Vendor Registration and Management Team, but regretted that other key aspects of procurement reform were still pending. She hoped that all the issues that were to have been included in the Secretary-General's "comprehensive" report would be soon come before Member States for consideration. In that regard, the Group agreed with the Advisory Committee that the Secretary-General should broaden the scope of the annual report on procurement activities to include more evidence and analysis in order to facilitate the Assembly's assessment of the progress being reported and the impact of the activities accomplished on an ongoing basis.

40. Procurement opportunities should be extended to all Member States in an open and transparent manner. The United Nations Board of Auditors and the Advisory Committee had repeatedly stressed the need for the Procurement Division to diversify the origin of vendors in the United Nations procurement system; that issue had still not been properly addressed. In that regard, the Group requested information on the procurement of goods and services from the Latin America and Caribbean region, including for operational activities of the United Nations system, and called on the Secretary-General to intensify his efforts to find additional innovative ways to promote procurement from developing countries.

41. While agreeing with the general orientation of the concept of green procurement, the Group was concerned that in practice it would be yet another obstacle to efforts to diversify the origin of vendors. It was important, therefore, for the Secretariat to clarify the criteria for applying that concept before the General Assembly took a decision.

42. Noting that the OIOS report on the audit of the application of the best value for money principle in United Nations procurement (A/61/846) contained important recommendations, she said that the Group was keen to hear the response of the Secretariat and the views of other Member States. Lastly, the Group reiterated its commitment to procurement reform.

43. **Mr. Golovinov** (Russian Federation) said that the United Nations procurement system should be reformed strictly in accordance with the relevant

resolutions of the General Assembly, which had devoted consistent attention to the matter since the early 1990s, in order to improve efficiency and transparency, give all trustworthy vendors from all Member States access to United Nations contracts and prevent fraud and abuse. Believing that success in that endeavour depended on meticulous implementation of the decisions of Member States, his delegation drew little optimism from the reports currently before the Committee.

44. His delegation shared the Advisory Committee's concern that the report of the Secretary-General had not addressed important aspects of reform such as accountability, delegation of authority, the activities of the committees on contracts, procurement for field missions and proposals to improve efficiency, all of which would have to wait until the comprehensive report of the Secretary-General on procurement governance was submitted at the second part of the resumed sixty-second session.

45. Recalling that the General Assembly had requested a comprehensive report on procurement activities every two years, his delegation doubted the wisdom of adopting two General Assembly resolutions on procurement reform at a single session and thought it more logical that discussion of the present comprehensive report on United Nations procurement activities should continue at the second part of the resumed sixty-second session, when the comprehensive report of the Secretary-General on procurement governance was due to be considered, with a view to adopting a comprehensive resolution on procurement reform.

46. It was a matter of concern that the Secretariat had already delegated more procurement authority to the field, despite its failure to supply the assessment of related monitoring mechanisms that the General Assembly had requested. His delegation believed that the Secretariat had made too little progress in making field procurement staff aware of the Organization's procurement rules and procedures, and that training in the technical and ethical aspects of procurement should be given together, rather than separately as was currently the case. Such training should be mandatory for procurement staff, who should not assume procurement functions until they had attended an appropriate course.

47. His delegation was disappointed at the failure of the Secretariat, in the year since the adoption of General Assembly resolution 61/246 on procurement reform, to establish the parameters, procedures and financial implications of an independent bid protest system. According to the report of the Secretary-General currently before the Committee, implementation of the system would be on no more than a pilot basis. In addition, despite requests reiterated by the General Assembly in its resolutions 52/226 A, 54/14, 60/266, 61/246 and 61/276 over a period of 10 years, the report of the Secretary-General still lacked proposals to include in the Organization's Financial Rules and Regulations provisions to prevent conflict of interest in the procurement process. The report of the Secretary-General confined itself to acknowledging that there was no precise definition of "conflict of interest" endorsed by the General Assembly, and simply listed a series of internal instructions and measures adopted in the absence of such a definition.

48. Also absent from the report of the Secretary-General were precise information on the criteria governing implementation of the best value for money principle, an analysis of how it was used and a determination of the compatibility of its guiding rules with best practice. In that connection, his delegation shared the concern of the Advisory Committee, believing that selective use of the principle could lead to more subjective choices of vendor and higher contract costs.

49. Unfortunately, the action so far taken by the Secretariat to increase international competition for United Nations contracts, and particularly to improve access to such contracts for businesses from developing countries and countries with economies in transition, had either had little effect or had been cancelled out by other Procurement Division policies, such as contract bundling, in which mega-contracts were awarded to a middleman and actually fulfilled by subcontractors.

50. One example was the well-known \$250 million single-source contract for the African Union-United Nations Hybrid Operation in Darfur (UNAMID), concluded with no bidding in October 2007. Not only did such contracts exclude bidders from developing countries and countries with economies in transition, they also removed a substantial volume of procurement activity from the oversight exercised by the

Procurement Division through its rules and procedures, which in practice did not cover subcontractors, and made entire peacekeeping operations dependent on a sole vendor. Significantly, such contracts were a recurring ill, having led to serious financial and other consequences for the Organization in the 1990s and having motivated subsequent procurement reform.

51. It was time for Member States to take the initiative and make use of the proposals of vendors in their countries with experience of the Organization in order to improve access to United Nations contracts for developing countries and countries with economies in transition. A possible first step was to examine the amount of the performance bond, often prohibitive for small and medium-sized enterprises, and the arrangements for bidders' conferences, which were difficult for vendors to attend unless invitations were received in good time.

52. Noting that the Secretariat had plans to amend the Procurement Manual, and that such changes would affect the Member States' procurement-related decisions and requests, his delegation would like the Secretariat to provide the wording of proposed changes, broken down according to the headings contained in annex II to the report of the Advisory Committee (A/62/721), entitled "Major Procurement Manual revision topics proposed for 2008". Welcoming the United Nations Global Marketplace Internet platform, his delegation also wished to propose various improvements, which it would explain in informal consultations.

53. Finally, no objective picture of the 10-year-old procurement reform process could be built up without comparing the current situation with the situation 10 or 15 years previously to determine whether progress had been made, whether abuse had decreased, and what bottlenecks remained and how they could be remedied. Accordingly, the Secretariat should ensure that those issues were properly addressed in the next comprehensive report of the Secretary-General on United Nations procurement activities.

54. **Mr. Scanlon** (United States of America) said that, since procurement reform was an ongoing process, the Secretary-General's comprehensive report (A/62/525) should be viewed as a progress report. It was important to recognize that, while some reform measures could be instituted rapidly, others would take longer to implement.

55. Efforts to strengthen the internal control mechanism of the procurement function had borne fruit and many of the objectives relating to enhancing the integrity of the procurement process were due to be met in 2008. While the establishment of the Procurement Reform Implementation Team and the Planning, Compliance and Monitoring Section should help to ensure that reform efforts were not neglected, his delegation was, nevertheless, concerned that the implementation of a number of measures had been delayed. One such measure was the independent bid protest system, key to enhancing transparency in the procurement decision-making process. Every effort should be made to launch a Secretariat-wide system as soon as possible.

56. His delegation concurred with the Advisory Committee's recommendation that the Secretary-General should specify how procurement managers would be held personally accountable for the proper application of existing procedures for accountability and delegation of authority. The Advisory Committee had also drawn attention to other relevant issues, such as the need to strengthen coordination and cooperation among the organizations of the United Nations system and the importance of improving the procurement process in peacekeeping operations.

57. Lastly, meaningful reform called for leadership, and the delay in filling the post of Director of the Procurement Division was therefore cause for concern. The Secretary-General should take the appropriate measures at the earliest opportunity.

58. **Mr. Matsunaga** (Japan) said that his delegation attached great importance to strengthening and improving procurement mechanisms and procedures. The adequacy of checks and balances and internal control systems and the respective roles and responsibilities of committees on contracts, both at Headquarters and in the field, were of particular concern.

59. The Secretary-General's detailed explanations of the measures taken to strengthen internal controls were especially welcome, as was the progress made on a number of fronts, inter alia the development, testing and roll-out of various training programmes and the design of an enhanced online vendor registration system. However, much remained to be done, including the establishment of an independent bid protest system and the development of a governance structure. His

delegation would be grateful for an update on the status of the report on procurement governance in peacekeeping operations. That report should fully address the various relevant concerns expressed by the Advisory Committee and Member States. While procurement activities in peacekeeping operations were subject to particular constraints, his delegation was concerned that, if the new governance structure failed to address the weaknesses in the internal control regime, United Nations resources might continue to be exposed to significant risks in terms of waste and fraud.

60. The progress described in the Secretary-General's report and the impact of the activities accomplished should be substantiated with data and other evidence and information on the mechanisms introduced to monitor progress. The paragraphs of the report dealing with accountability and delegation of authority were particularly pertinent in that regard and his delegation fully supported the Advisory Committee's recommendation that the Secretary-General should be requested to specify how managers would be held personally accountable for the proper application of the relevant procedures. The Secretariat should expand on that issue in informal consultations.

61. As the Headquarters Committee on Contracts was an integral part of the internal control framework of the Secretariat, it would be useful to have additional information on its effectiveness and an assessment of whether or not its independence was fully safeguarded. Lastly, the absence of guidelines offering a clear definition of the best value for money principle was cause for concern, since ambiguity in that area might undermine, rather than strengthen, the United Nations procurement system.

62. **Mr. Buades** (Chief, Procurement Service), responding to the questions raised, stressed that although the Procurement Division had taken ownership of the reform process and should therefore be held accountable for its success, procurement was a cross-cutting, strategic function. Accordingly, the reform affected not only procurement staff. It extended both upstream and downstream and meant in practice that up to 1,000 staff members in various offices and departments would need to be trained in the implementation of the best value for money principle.

63. Business seminars were intended to attract potential vendors and provide them with information

about registration. It was, however, difficult to gauge the success of such seminars because vendors themselves, rather than the Organization, were responsible for initiating the registration process. In order to raise awareness of business seminars, the Procurement Division held regular planning meetings with Member States. Seminars were free of charge in developing countries, whereas industrialized countries were required to bear some of the organizational costs, including mission subsistence allowance for staff members. New vendors could certainly be accommodated in certain categories; detailed information about the Division's annual acquisition plan could be found on its website. In order to improve the support services available to vendors, the Vendor Registration and Management Team was endeavouring to reduce the total number of vendors in the database. The proposed bid protest system would include a debriefing procedure for unsuccessful vendors designed to improve their chances of success in subsequent bidding exercises.

64. Developing countries and countries with economies in transition had increased their share of total United Nations procurement from 45 per cent in 2006 to 53 per cent in 2007. However, while consistent, the methods used to collect those statistics were not necessarily the most effective and, although specialized data collection tools would be incorporated into the new enterprise resource planning system, it was still unclear whether those tools would be capable of capturing the level of detail required.

65. With regard to sustainable procurement practices, the Secretariat was lagging behind in comparison to the funds and programmes. Procurement activities were worth \$2 billion a year and, although the best value for money principle and quality control were important elements of the reform process, it was important to devote greater attention to the environmental impact of those activities. The Organization must ensure that it was in the best interests of all concerned to pursue a greener approach to procurement.

66. He acknowledged that performance bonds could constitute an obstacle for some vendors from developing countries. While the Organization needed a mechanism for mitigating contractual risks, the financial securities required might be prohibitive. Lastly, referring to the delayed implementation of some reform measures, he underlined the importance of thorough testing procedures. The procurement process

involved so many stakeholders that it was essential to ensure that any measures proposed were sufficiently robust.

67. **Mr. Sena** (Brazil) wondered about the ethical implications of a situation in which industrialized countries bore some of the costs involved in hosting business seminars, such as staff travel and mission subsistence allowance. Furthermore, while his delegation was willing to consider the Secretary-General's proposals on diversifying the Organization's vendor base, detailed responses to the relevant questions raised by the representative of the Group of 77 and China would be required.

The meeting rose at 4.50 p.m.

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Fifth Committee**Summary record of the 32nd meeting**

Held at Headquarters, New York, on Friday, 14 March 2008

Chairman: Mr. Ali. (Malaysia)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

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The meeting was called to order at 10.10 a.m.

Agenda item 128: Programme budget for the biennium 2008-2009 (continued)

Conditions of service and compensation for officials other than Secretariat officials: members of the International Court of Justice and judges and ad litem judges of the International Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda (A/62/7/Add.36, A/62/538 and Add.1; A/C.5/61/19)

1. **Ms. Haji-Ahmed** (Director, Operational Services Division), introducing the report of the Secretary-General on conditions of service and compensation for officials other than Secretariat officials: members of the International Court of Justice and judges and ad litem judges of the International Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda (A/62/538 and Add.1), recalled that, in its resolution 61/262, the General Assembly had requested the Secretary-General to review and update the travel and subsistence regulations of the International Court of Justice, taking into account the related recommendation of the Advisory Committee on Administrative and Budgetary Questions (A/61/612, para. 15) and bearing in mind the relevant provisions of the Statute of the International Court of Justice, and to report thereon to the General Assembly at its sixty-second session.

2. In the same resolution, the Assembly had also requested the Secretary-General to report to it at its sixty-second session on options for designing pension schemes for the members of the Court, and the judges of the International Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda, including defined-benefit and defined-contribution schemes, taking into account the possibility of calculating pensions on the basis of the number of years served rather than the term of office. A study on options for designing pensions had been commissioned from a consulting firm and would be submitted as an addendum to the present report.

3. Prior to the adoption of resolution 61/262, the President of the Assembly had informed delegations that he had received a letter dated 3 April 2007 from the President of the Court (A/61/837) expressing the Court's deep concern that provisions of the resolution on the emoluments of the judges would create

inequality among them and requesting the Assembly to consider postponing action on the draft resolution. At the time of the adoption of the resolution, a number of delegations had expressed their concerns about the issues raised in the letter from the President of the Court and had requested that they should be addressed in the context of the Secretary-General's report to be submitted at the sixty-second session.

4. With respect to travel and subsistence, pursuant to the Statute of the Court, the General Assembly was responsible for fixing the conditions under which the members of the Court had their travelling expenses refunded. There were separate travel and subsistence regulations, distinct from those applicable to officials of the United Nations Secretariat.

5. The Secretary-General recommended no change in the level of accommodation provided to the members of the Court and clarified that the amount of the assignment grant provided for in the travel and subsistence regulations should be based on the standard subsistence rates in effect for senior Secretariat officials.

6. With respect to remuneration and retirement benefits, by its resolution 59/282 the General Assembly had requested the Secretary-General to submit a comprehensive report at its sixty-first session, including proposals for a mechanism of remuneration based on market exchange rates and local retail price fluctuations that limited the divergence of such remuneration from that of comparable positions within the United Nations system. In response, the Secretary-General had proposed the introduction of a revised salary system comprising an annual net base salary plus a post adjustment. While the General Assembly had endorsed the proposal in its resolution 61/262, it had not agreed with the annual net salary level proposed and had decided instead to set, effective 1 January 2007, the annual net base salary of the members of the Court and the judges and ad litem judges of the Tribunals at US\$ 133,500, with a corresponding post adjustment per index point equal to 1 per cent of the net base salary, to which would be applied the post adjustment multiplier for the Netherlands or for the United Republic of Tanzania. The new salary system would apply to judges serving in Arusha and to newly elected judges coming on board. The General Assembly had also decided that the former salary system, whereby the salaries of the judges serving in The Hague were paid in euros at the

floor exchange rate, would continue to apply to judges already on board in The Hague.

7. The Secretary-General's report (A/62/538 and Add.1) summarized the arguments presented by the Court on remuneration and retirement benefits and the implications of General Assembly resolution 61/262 with regard to certain provisions of the Statute of the Court, and the Court's concerns regarding equality among members of the Court, equality between members of the Court and ad hoc judges, equality among ad hoc judges and re-elected judges. The Court had concluded that resolution 61/262 was not compatible with the basic principles underlying the Statute of the Court.

8. The Secretary-General indicated that he had taken account of the Court's comments as well as the conclusion of the Legal Counsel that the concerns of the Court regarding equality were justified. The Secretary-General would therefore request Member States to rectify the situation.

9. Concerning the annual remuneration of the judges, the report set out two possible options for consideration by Member States (A/62/538, paras. 74 and 75). With respect to retirement benefits, should the General Assembly make a decision relating to the level of annual salary of the members of the Court and the judges of the Tribunals, it was recommended that pensions in payment should be adjusted accordingly (para. 84).

10. The financial implications of the options proposed were set out in the table in paragraph 86 of the report.

11. Lastly, should the General Assembly decide to revert to the three-year review cycle, the next comprehensive review would be undertaken at its sixty-fifth session, in 2010.

12. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/62/7/Add.36), said that the Advisory Committee did not object to the Secretary-General's proposal that no changes should be made to the provisions of articles 1 and 2 of the travel and subsistence regulations of the Court. The Advisory Committee also agreed with the Secretary-General's recommendation that there should be no change to the

provision on the assignment grant contained in article 3 of those regulations.

13. Regarding the remuneration of the members of the Court and the judges and ad litem judges of the International Tribunals, the Advisory Committee had analysed the two options proposed by the Secretary-General. The first option was to establish salaries in euros, subject to periodic cost-of-living adjustments. The Advisory Committee noted that international salary scales within the United Nations were based on the United States dollar, with adjustments for inflation and currency fluctuations through the post adjustment system. Establishing salaries in a currency other than the United States dollar for members of the Court and for the judges of the Tribunals would be a departure from current practice, the implications of which the General Assembly would need to analyse fully.

14. The second option was to maintain the system whereby the salaries of the judges consisted of a net base salary in United States dollars and a post adjustment amount. The Secretary-General proposed that the starting point for establishing the net base salary of the judges should be \$173,430 per annum.

15. Regarding the question of emoluments paid to ad hoc judges appointed prior and subsequent to the adoption of General Assembly resolution 61/262, the Assembly might wish to examine the impact of the implementation of that resolution on the position of ad hoc judges sitting in the same cases.

16. Lastly, with respect to retirement benefits, the Advisory Committee had been informed that a comprehensive study on options for designing pension schemes would be presented at the second part of the resumed sixty-second session. The Committee therefore recommended that the General Assembly should defer consideration of the retirement benefits for members of the Court pending receipt of the pension study.

17. **Mr. Hunte** (Antigua and Barbuda), speaking on behalf of the Group of 77 and China, said that the Group attached great importance to the work of the International Court of Justice and the International Tribunals and that it had always advocated a compensation package that was commensurate with the status and responsibilities of the members and judges.

18. The Group supported the principle that the salaries and allowances of the judges of the Court and

the International Tribunals were fixed by the General Assembly and could not be decreased during their term of office. It also considered equality among judges to be a basic principle of the system of international adjudication of disputes between States.

19. In its resolution 61/262, the General Assembly had requested the Secretary-General to review and update the travel and subsistence regulations of the Court. The Group concurred with the Secretary-General and the Advisory Committee that the current provisions of those regulations should be maintained.

20. Regarding remuneration, the Group noted with concern that a situation had been created in which the principle of equality of members of the Court and ad hoc judges was not being maintained. The Group strongly supported the principles of both the Charter of the United Nations and the Statute of the Court and was committed to ensuring equality of compensation and of conditions of service for all judges.

21. The Secretary-General had presented two options for protecting the level of remuneration and the equality of members of the Court and ad hoc judges that did not affect the General Assembly's decision to abandon the floor/ceiling mechanism. The Group was willing to adopt a decision in line with those options.

22. The Group also noted that, in its resolution 61/262, the General Assembly had requested the Secretary-General to submit, at the current session, options for designing pension schemes for the members of the Court, and the judges of the International Tribunals. It regretted that the relevant report was not before the Committee; it should be considered before the end of the sixty-second session.

23. Decisions on salaries and other allowances for any category of judges working within the United Nations system should be considered on their merits. All other situations would be handled in accordance with the procedures prescribed by the appropriate forum.

24. **Ms. Simklič** (Slovenia), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania, Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, Armenia, Georgia, Moldova and Ukraine, said that the European Union reaffirmed its unreserved support for the judges and all personnel

of the Court and the International Tribunals. The Court and the Tribunals contributed to the maintenance of international peace and security and played a key role in the interpretation, application and development of public international law.

25. The General Assembly had adopted resolution 61/262 by consensus, with a view to making the conditions of service and compensation for members of the Court and judges and ad litem judges of the International Tribunals clearer and more transparent. The new system for determining salaries was linked to the system applied for Secretariat officials, while recognizing the special character of the judges of the Court as elected members of one of the principal organs of the United Nations. The European Union and others had made every effort to ensure that the new system fulfilled the objective of harmonizing and simplifying organizational procedures without adversely impacting on any serving judge.

26. The European Union noted the concerns of the Court that the remuneration system contained in resolution 61/262 was not in conformity with the principle of equality of all judges.

27. The European Union reiterated its support for the Court's invaluable work and stood ready to examine the Secretary-General's proposals, bearing in mind the Court's concerns.

28. **Mr. Ruiz Massieu** (Mexico), speaking on behalf of the Rio Group, said, with regard to the remuneration of the judges of the Court, that the Group had taken note of the concerns expressed in the letter dated 3 April 2007 from the President of the Court to the President of the General Assembly (A/61/837) and in the summary of the Court's arguments contained in the Secretary-General's report (A/62/538) regarding the incompatibility between General Assembly resolution 61/262 and the principle of equality of all judges. The Group was confident that the Committee would be able to devise a solution at the resumed session that ensured equal treatment of all judges, and considered the Secretary-General's second option a good basis for discussion. However, any decision should not be considered a precedent for future General Assembly decisions pertaining to other judicial forums in the United Nations system.

29. Regarding travel and subsistence regulations and assignment grants, the Group concurred with the Advisory Committee that they should not be changed

for the moment, given the sui generis nature of the judges' conditions of service and the arguments contained in the Secretary-General's report.

30. Lastly, the Group reiterated that the decisions of the General Assembly must be respected and fully implemented.

31. **Mr. Hoe Yeen Teck** (Singapore) said that, in its resolution 61/262, the General Assembly had sought to rectify the issue of compensation of judges; however, the resolution had had a knock-on budgetary effect on the salaries of the judges of the Court. In the opinion of the Court, the salary differentials among its judges were inconsistent with the Court's Statute and, by extension, the Charter of the United Nations. In her letter to the President of the General Assembly, the President of the Court had stated that the equality of all judges was a fundamental principle underlying the Statute of the Court. Given those concerns, the Committee should review the issue.

32. Singapore was willing to consider both options presented in the Secretary-General's report but saw greater merit in the second option. While addressing the Court's concerns regarding salary differentials, the second option allowed the Court to transition to the common system, as recommended by the International Civil Service Commission (ICSC). That transition would be completed in 2013, when the last of the judges of the Court on the old system completed their current terms.

33. **Mr. Davide** (Philippines) said that his delegation noted with grave concern the letter from the President of the Court on the implications of General Assembly resolution 61/262 with regard to the Statute of the Court (A/61/837).

34. The Secretary-General's report confirmed that the measures contained in resolution 61/262 would give rise to inequality among members of the Court and between members of the Court and ad hoc judges. Specifically, the remuneration of members elected after 1 January 2007 would be substantially lower than the remuneration received by members elected before 1 January 2007.

35. Complete equality among judges was essential to the system of adjudication of international disputes among States and to ensuring that the sovereign equality of States, which underlay the current

international legal system, was upheld in judicial proceedings between them.

36. The problem of inequality among the judges of the Court was clearly illustrated by the situation in *Territorial and Maritime Dispute (Nicaragua v. Colombia)*, wherein one ad hoc judge had been appointed prior to the adoption of resolution 61/262 and one after. Affording the nominee of one party to a dispute treatment that was not equal to the treatment afforded the nominee of the other party would seriously undermine the integrity of the Court's proceedings and would run counter to the fundamental principle of sovereign equality, the lynchpin of all multilateral institutions; it was also contrary to the Court's Statute.

37. Inequality among the members of the International Tribunals could not have been the intended result of resolution 61/262. The General Assembly should address the Court's legitimate concerns by increasing the annual net base salary to a level that ensured complete equality. In the interest of preserving the integrity of the international dispute resolution mechanism, the matter should be resolved as expeditiously as possible.

38. **Mr. Álvarez** (Uruguay) expressed his deep concern that, in its adoption of resolution 61/262, the General Assembly had inadvertently undermined the general principle of law whereby all parties to a dispute were equal. The General Assembly clearly had not taken into account the particular situation arising from the Statute of the Court, which formed an integral part of the Charter of the United Nations. That inconsistency had been pointed out in the Secretary-General's report, by the Legal Counsel and by the Court, which had been established under the Charter as the principal judicial organ for interpreting the law. A satisfactory solution, on the basis of the options in the Secretary-General's report, must be found.

39. **Mr. Rashkow** (United States of America) said that his delegation fully supported the work of the Court and the International Tribunals. He noted the Court's important role in facilitating the peaceful resolution of disputes and commended the International Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda on their ongoing efforts to bring justice and accountability to the innocent victims of the terrible crimes committed in those two former conflict regions.

40. The United States remained committed to ensuring the judicial independence of the Court and the International Tribunals and to the principle of fair and adequate compensation for their personnel. It noted that, at its sixty-first session, the General Assembly had taken a decision to align the system for compensating Court and Tribunal personnel on the common system; Member States had determined that the salaries of the judges should consist of a net base salary plus a post adjustment. The United States generally shared the concerns of the Advisory Committee regarding the Secretary-General's new proposals for determining compensation and concurred with its recommendation that the Assembly should defer consideration of the retirement benefits for members of the Court pending receipt of the report currently being prepared.

41. **Mr. Torres-Lépori** (Argentina) said that the General Assembly, in its resolution 61/262, had aimed to put an end to the serious salary distortions between members of the International Court of Justice and judges and ad litem judges of the International Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda.

42. The principle of equal status among members of the International Court of Justice, an institution established by the Charter of the United Nations and holding an undisputed primacy in the legal order of the Organization, was essential. A solution to the current problem must be sought on the basis of the options presented in the report of the Secretary-General. Taking into account the recommendations of the Advisory Committee, his delegation favoured increasing net base salaries to maintain current levels of remuneration and to ensure that the terms of the General Assembly resolution were not breached.

43. **Mr. Rosales Díaz** (Nicaragua) said that his delegation must once again express disappointment at the late submission of the reports of the Advisory Committee, which prevented the Fifth Committee from considering the matters before it in a fitting and thorough manner. Furthermore, the Fifth Committee had not yet received the awaited report on options for designing pension schemes for the members of the International Court of Justice and for the judges of the International Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda.

44. Having had the largest number of cases before the International Court of Justice since its establishment in 1945, Nicaragua believed that that institution's impartiality must be safeguarded; his delegation would therefore continue to support the authority and role of the Court, and the strengthening of its functioning. The General Assembly had a fundamental duty to ensure that all members of the International Court of Justice and all judges of the International Tribunals were treated equally in terms of salary and conditions of service. In that connection, only the Fifth Committee was empowered to take administrative and budgetary decisions.

45. Recalling that an undesired effect of General Assembly resolution 61/262 was the risk that two ad hoc judges assigned to the same case would have different levels of compensation, he said that his delegation favoured the second remuneration option indicated by the Secretary-General in his report (A/62/538, paras. 75-77), which, if properly implemented, would satisfy the need for equal pay for equal work and would prevent a lengthy debate on the first option (A/62/538, para. 74), which, as the Advisory Committee had pointed out, held consequences for the entire United Nations system.

46. **Mr. Olhaye** (Djibouti) recalled that, before the adoption of General Assembly resolution 61/262, the President of the International Court of Justice had addressed a letter to the President of the General Assembly (A/61/837) expressing the Court's deep concern that the proposed action regarding emoluments of the judges would create inequality, and requesting the Assembly to consider postponing action on the draft resolution to a later date. However, no such postponement had occurred. The General Assembly had established a new annual net base salary for members of the International Court of Justice and the judges and ad litem judges of the International Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda to apply from 1 January 2007. However, by virtue of the transitional measure established in the resolution, the members of the Court and the judges of the International Tribunals were exempted from the new base salary for their current terms of office, resulting in inequality of treatment, and therefore difficulty in maintaining the balance among the principal legal systems of the world required by the Statute of the Court.

47. His delegation also noted the concern expressed by the Advisory Committee in its related report that inequality of remuneration between the two ad hoc judges sitting in the case of the maritime dispute between Nicaragua and Colombia could have arisen. In fact, that had already happened in *Certain Questions of Mutual Assistance in Criminal Matters (Djibouti v. France)*. While France had appointed its ad hoc judge in October 2006, before the adoption of the resolution, Djibouti had not appointed its ad hoc judge until 8 January 2007, one week after the resolution entered into force. The resulting inequality in the compensation received by the two judges was contrary to the Statute of the International Court of Justice.

48. It was the responsibility of the Committee to rectify the inconsistencies arising from the implementation of resolution 61/262, taking into account the suggestions of the Secretary-General and the recommendations of the Advisory Committee, above all to remove the obvious inequities and inequality among judges, particularly ad hoc judges.

49. **Mr. Quezada** (Chile) said that his delegation recognized and reaffirmed the contribution to international peace and security of the International Court of Justice, the International Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda, whose staff deserved appropriate resources, benefits and remuneration. In keeping with the provisions of the Charter of the United Nations and the Statute of the International Court of Justice, all the judges must be treated equally.

50. **Mr. Sena** (Brazil) said that his delegation fully supported the roles of the International Court of Justice and the International Tribunals, and believed in the principle of complete equality between judges as an essential component of the international adjudication of disputes between States. Accordingly, his delegation was in favour of retaining the current travel and subsistence arrangements and shared the concern that equal remuneration was not being maintained. In that connection, he recalled the responsibilities of the Fifth Committee for administrative and budgetary matters and believed that the General Assembly must intervene to rectify the undesired consequences of General Assembly resolution 61/262, thus safeguarding the principles of the Charter of the United Nations and the Statute of the International Court of Justice.

51. **Mr. Chávez** (Peru) said that the International Court of Justice, as the principal judicial organ of the United Nations, played a central role in maintaining international peace and security through the peaceful settlement of disputes. While General Assembly resolution 61/262 had helped to make the salary arrangements for members of the International Court of Justice and judges of the International Tribunals clearer and more transparent, it had given rise to concerns.

52. The first was its failure to preserve the principle of absolute equality among judges and to remain faithful to the Statute of the International Court of Justice. That was a sensitive matter, as absolute equality was a guiding principle of the Court's work, derived from the principle of equality between sovereign States.

53. The second was the resolution's freezing of the annual base salary, creating inequality between the members of the Court and the staff of the Organization which it served. The Organization's staff continued to benefit from mechanisms to compensate for fluctuations in the cost of living.

54. While his delegation was aware that some members of the Committee were wary of amending resolution 61/262, it took the view that the legal inconsistencies highlighted by the Court itself and the Office of Legal Affairs should be remedied. The General Assembly should respect the rule of law, demonstrate its ability to right wrongs, and ensure that its decisions were once again in line with the Statute of the International Court of Justice, which was an integral part of the Charter of the Organization. His delegation hoped that the Committee would take remedial action at the current resumed session to ensure a return to the equal remuneration arrangements in force before the adoption of resolution 61/262.

55. His delegation could not but express surprise at the contradictory efforts of some delegations to make savings of very little significance in the overall budget at the cost of hampering the work of the Organization's main judicial organ. At a time when the cost of peacekeeping operations was escalating, the resources of the main means of settling disputes peacefully were being eroded. Not only had the time come to rectify a legal error, the time had come to send out a political signal that peaceful settlement of disputes must be favoured above the current tendency to react once conflicts had already resulted in death and destruction.

56. Mr. Abdelmannan (Sudan), speaking on behalf of the Group of Arab States, recalled that the President of the International Court of Justice had communicated to the President of the General Assembly the Court's concerns regarding the undesirable effects of resolution 61/262. His Group would give serious consideration to the two remuneration options suggested by the Secretary-General. The principle of equality between judges must be upheld.

57. The long-standing problem of late submission of documentation had once again placed the Committee in the difficult position of having too little time to properly consider the issues before it. For the sake of compliance with legal principles and consistency of decision-making, the Secretariat should provide documents in a timely manner.

58. Mr. Schuldt (Ecuador) said that his delegation supported the second of the two remuneration options suggested by the Secretary-General in his report (A/62/538, paras. 75-77) as a means of promoting equality between all judges and backing their contribution to the peaceful settlement of disputes.

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59. Ms. Haji-Ahmed (Director, Operational Services Division), introducing the report of the Secretary-General on the comprehensive proposal on appropriate incentives to retain staff of the International Criminal Tribunal for Rwanda and the International Tribunal for the Former Yugoslavia (A/62/681), said that the report addressed several issues and provided information requested by the General Assembly concerning additional data and the non-monetary incentives

already available. It also provided the General Assembly with alternative approaches for the calculation of the retention incentive.

60. In developing alternative approaches, the International Tribunals had given careful consideration to the concerns raised by the General Assembly regarding an across-the-board application as opposed to a more targeted approach. However, the Tribunals strongly believed that a targeted approach would ultimately be detrimental to staff morale, thereby negating the intended benefit of the proposed scheme, which was to retain a majority of staff until such time as their services were no longer required.

61. With respect to the request for alternative approaches, the Secretary-General's report currently contained three options for consideration by the General Assembly. Under option A, all staff with two years of service would receive an incentive payment in accordance with the provisions on a termination indemnity contained in the Staff Regulations (annex III). Under option B, an incentive payment would only be considered for those staff members who had over five years of continuous service in the Tribunals. That would limit the payment of any incentive to only those staff members who had served for a substantial period of time, thereby addressing the concerns of both the General Assembly and the International Civil Service Commission that preference should be given to staff with greater seniority and hence the specialized knowledge that the Tribunals wished to retain. Such an approach would also avoid designating staff on a post-by-post basis as either key or non-key. As in option A, payments would be made in accordance with the termination indemnity provisions contained in the Staff Regulations. Lastly, under option C, the payment of a retention incentive would also be restricted to those staff members who had served a minimum of five continuous years of service. However, the amount of that incentive would be capped at a fixed number of months, to be determined by the General Assembly.

62. The 2008-2009 budgets recently adopted for both International Tribunals reflected substantial reductions in posts during 2009, at a time when the Tribunals would be completing their trials. The successful completion of those trials would be contingent on retaining staff in all areas of both Tribunals. The Fifth Committee had consistently supported the International Tribunals in their fight against impunity and in their defence of international justice. It should therefore

continue to do so in order to allow them to complete their work without disruption.

63. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/62/734), recalled that, in response to General Assembly resolution 61/274, the Secretary-General had proposed a combination of monetary and non-monetary incentives to retain staff until their posts were no longer needed, in line with the respective completion strategy and drawdown plans of the International Tribunals. As the Tribunals moved from trials to appeals during 2009, they anticipated post redeployments as well as the phasing out of 349 posts from the International Criminal Tribunal for Rwanda, 33 per cent of its staff, and 258 posts from the International Tribunal for the Former Yugoslavia, 26 per cent of its staff. Those reductions were reflected in the approved budgets of the Tribunals for the current biennium. The Advisory Committee noted that a further significant reduction in posts was expected from early 2010, when it was anticipated that most trials would be in the appeals stage.

64. The Advisory Committee commended the International Tribunals on their efforts to provide a wide range of non-monetary incentives in order to retain staff and to plan for possible staff shortages as the completion dates approached. It encouraged the Tribunals to continue to explore further incentives for staff, such as their treatment as internal candidates for recruitment and selection in the United Nations system.

65. With regard to the monetary incentive, the Tribunals had proposed three alternative approaches for the calculation of the amount of a retention incentive. The Advisory Committee recognized the critical importance of retaining highly skilled and specialized staff in order to complete all trial proceedings and meet the targets set out in the completion strategies of the Tribunals. A high rate of departures could impede the smooth functioning of the Tribunals and entail considerable costs in terms of the recruitment and training of new staff. Given the consequences of any delay in the completion of their work, the Tribunals should have a variety of tools to retain the services of personnel for as long as they were required. The Advisory Committee also noted that, according to the Secretary-General, in order to be effective, such tools should include a monetary

retention incentive combined with the non-monetary measures described in his report.

66. The Advisory Committee therefore recommended that the General Assembly should authorize, on an exceptional basis, the payment of a retention incentive to staff required to remain with the Tribunals until their services and posts were no longer needed, as set out in the drawdown plans of each Tribunal. The calculation of the payment should be made on the basis of the criteria described under option C of the Secretary-General's report, targeting staff with a minimum of five years of service in the Tribunals, and the amount of the incentive should be capped at five months' salary for all staff members, irrespective of the number of years of service. The payment of the retention incentive would become effective from the biennium 2008-2009, as of a date to be fixed by the General Assembly.

67. Lastly, the General Assembly should authorize the payment of a retention incentive on the basis of an ad hoc decision of the General Assembly rather than an amendment to the Staff Rules. The exceptional nature of such arrangements for the International Tribunals would preclude their application elsewhere in the United Nations system.

68. **The Chairman** drew the attention of the Committee to chapter II of the ICSC report (A/62/30 and Corr.1). The General Assembly, in accordance with paragraph 2 of its resolution 62/227, had decided to consider the recommendations contained in paragraph 21 of the report under the agenda items now before the Committee.

69. **Mr. Hunte** (Antigua and Barbuda), speaking on behalf of the Group of 77 and China, said that the Group considered the staff of the International Tribunals to be their most valuable asset. In its resolution 61/274, the General Assembly had already expressed its concern over possible difficulties in retaining and recruiting staff members who would be essential for the completion of the mandates of the Tribunals. However, while the Group welcomed all the non-monetary incentives that the Tribunals had put in place to retain their staff, such measures remained insufficient. As the completion dates for the work of the Tribunals approached, the increasing financial costs that could arise from staff shortages were therefore a matter of concern, since mandates might be left unaccomplished.

70. The Group favoured the payment of a retention incentive on the basis of an ad hoc decision of the General Assembly and without any amendment to the Staff Rules. It noted the solution suggested by the Advisory Committee and looked forward to adopting the best possible decision.

71. **Ms. Simklé** (Slovenia), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania, Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, Armenia and Moldova, said that the European Union acknowledged the difficulties that the International Tribunals might encounter in retaining and recruiting staff as their work drew to a close. A well-targeted and multi-faceted retention incentive might prove to be a useful tool in addressing the need for the Tribunals to function effectively throughout their completion phases. However, the report of the Secretary-General fell short of providing complete answers to all the questions raised in resolution 61/274; the European Union would therefore seek further clarification.

72. **Mr. Ruz Massieu** (Mexico), speaking on behalf of the Rio Group, said that the Group recognized the valuable contribution made by staff in enabling the International Tribunals to carry out their mandates effectively. The Group therefore commended the efforts made to provide non-monetary incentives. It would carry out a careful analysis of all the measures proposed regarding monetary incentives, including the recommendations made by the Advisory Committee.

73. **Mr. Kishimoto** (Japan) said that ICSC had made it clear to the General Assembly that special financial retention incentives for the International Tribunals were not appropriate. His delegation concurred with the view expressed by ICSC, which was responsible for regulating and coordinating fair and consistent conditions of service for staff members throughout the United Nations system: even if the retention incentive was deemed an ad hoc measure taken by the General Assembly, it would, as the Advisory Committee itself had cautioned, establish a precedent. His delegation therefore did not support any of the proposals made by the Secretary-General or the Advisory Committee regarding the payment of retention incentives.

74. However, his delegation did support the efforts of both Tribunals to make the most of the existing

contractual framework, with a view to removing any uncertainty that staff might feel regarding future employment. Other non-monetary incentives would also be useful in enabling staff to enhance their skills; staff should be given training and career counselling to secure future career opportunities. The low staff turnover rate for the Tribunals proved that such strategies were working.

75. The issue had been discussed at the second part of the resumed sixty-first session based on the assumption that staff might leave the Tribunals on a large scale in the summer of 2007. Since those fears had proved unfounded, there was no need to take any action that might jeopardize the consistency and accountability of the United Nations system as a whole.

Other matters

76. **Ms. Simklé** (Slovenia), speaking on behalf of the European Union, requested clarification regarding the reasons for the delay in considering the revised estimates under sections 1, 3, 28D and 35 related to the strengthening of the Department of Political Affairs, particularly in view of the fact that the report of the Secretary-General (A/62/521 and Corr.1) and the related report of the Advisory Committee (A/62/7/Add.32) had both been issued several months earlier. In that connection, any concerns held by delegations should be discussed in an open and transparent manner.

77. **Mr. Berti Oliva** (Cuba), speaking on behalf of the Joint Coordinating Committee of the Group of 77 and China and the Non-Aligned Movement, recalled that, in a letter dated 7 March 2008 (A/C.5/62/24), the Joint Coordinating Committee had requested the Secretariat to issue a further corrigendum to the report of the Secretary-General on the revised estimates (A/62/521 and Corr.1) in order to reflect its comments and concerns. The Joint Coordinating Committee had taken that step so that the Fifth Committee could focus solely on the financial aspects involved in the strengthening of the Department of Political Affairs, rather than on political matters beyond its purview. However, the Secretariat had declined to issue the requested corrigendum and had instead responded by means of an official letter dated 12 March 2008 (A/C.5/62/25). In view of the fact that the reply from the Secretariat had been received only one day before the planned submission of the Secretary-General's

report to the Fifth Committee, the Joint Coordinating Committee had requested the discussion of the report to be postponed. While the Joint Coordinating Committee had never expected that all of its proposals listed in document A/C.5/62/24 would be reflected in the Secretary-General's report, it nevertheless represented a significant number of countries whose opinions deserved to be taken into account. Thus, in view of the highly political nature of the present report, a postponement for further consultations had unfortunately been unavoidable.

78. **The Chairman** said that the report of the Secretary-General on the revised estimates related to the strengthening of the Department of Political Affairs had been carefully considered by the Bureau and that the concerns raised by the Joint Coordinating Committee would also be taken into account. Discussion of agenda item 128 would therefore continue at the next meeting, as scheduled in the programme of work.

The meeting rose at 11.50 a.m.

**General Assembly**

Sixty-second session

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Fifth Committee**Summary record of the 33rd meeting**

Held at Headquarters, New York, on Monday, 17 March 2008, at 10 a.m.

Chairman: Mr. Ali. (Malaysia)
*Chairman of the Advisory Committee on Administrative
and Budgetary Questions:* Ms. McLurg

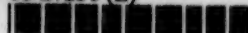
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Agenda item 128: Proposed programme budget for the biennium 2008-2009
(continued)

*Revised estimates relating to the proposed programme budget for the biennium
2008-2009 under section 1, Overall policymaking, direction and coordination,
section 3, Political affairs, section 28D, Office of Central Support Services
and section 35, Staff assessment, related to the strengthening of the
Department of Political Affairs*

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The meeting was called to order at 10.10 a.m.

Agenda item 128: Proposed programme budget for the biennium 2008-2009 (continued)

Revised estimates relating to the proposed programme budget for the biennium 2008-2009 under section 1, Overall policymaking, direction and coordination, section 3, Political affairs, section 28D, Office of Central Support Services and section 35, Staff assessment, related to the strengthening of the Department of Political Affairs (A/62/7/Add.32 and A/62/521 and Corr.1; A/C.5/62/24 and A/C.5/62/25)

1. **Ms. Bárcena** (Under-Secretary-General for Management), introducing the report of the Secretary-General on the revised estimates under sections 1, 3, 28D and 35 related to the strengthening of the Department of Political Affairs (A/62/521 and Corr.1), recalled that the Secretary-General had stressed the inseparable link between peace and security, human rights and development, and had confirmed his intention to keep engaging the general membership on the reform and strengthening of the Department of Political Affairs, the Department of Economic and Social Affairs and other departments. The Organization had already begun the difficult work of institutional strengthening and reform and had reorganized its worldwide peacekeeping operations. It was time to turn its attention to conflict prevention and peacebuilding, with special emphasis on Africa, Asia and the Middle East, and to rethink its approach to preventive diplomacy. The Organization should exploit to the fullest its potential for good offices and international mediation in the broadest spirit of the Charter.

2. The Secretary-General's proposals explained how the Organization intended to address the imbalance between the demands placed on the United Nations and the means to carry them out. Through strengthening the Department of Political Affairs, the Secretariat would become a more proactive and effective platform for preventive diplomacy and good offices, including mediation in the service of Member States and would also be in a better position to work closely in partnership with Member States and other international and regional organizations.

3. First, pursuant to General Assembly resolution 52/220, the declaration on enhancing United Nations-African Union cooperation within the framework of the

10-year capacity-building programme, and the joint communiqué issued by the Security Council and the African Union Peace and Security Council, the Secretary-General proposed that the United Nations Liaison Office in Addis Ababa should be reinforced and renamed the Peace and Security Support Office to the African Union Commission.

4. Second, regional divisions would be strengthened to improve monitoring and analysis, policy formulation and rapid dispatch to support the early resolution of conflicts and good offices efforts. Third, policy planning and mediation support would be strengthened through the establishment of a Policy, Partnerships and Mediation Support Division with a view to improving the Organization's ability to assist Member States on a wide range of cross-cutting global issues and to make preventive diplomacy systematic and effective. It would also enhance the links to the rest of the United Nations system and ensure better synergies and joint efforts.

5. Fourth, the increasing requests for technical assistance by the Electoral Assistance Division required the proposed adjustment to its resources. Fifth, the Security Council Affairs Division would be strengthened to meet increased demands in support of the Security Council, with its rapidly expanding workload. Lastly, management, executive and oversight functions needed to be tightened by refocusing the work of the Office of the Under-Secretary-General and reinforcing the Department's Executive Office.

6. Overall, the proposals to strengthen the Department of Political Affairs would result in additional requirements of \$21,036,100 for the biennium 2008-2009, with the addition of 101 posts. An increase of \$14,276,100 would be required under section 3, Political affairs, reflecting the proposed addition of 96 posts and the redeployment and reclassification of posts as well as non-post requirements such as travel and operating expenses. An increase of \$439,200 would arise under section 1, Overall policymaking, direction and coordination, pertaining to the proposed establishment of five new posts and reclassification of the Head of the United Nations Liaison Office in Addis Ababa. An increase of \$4,184,700 would arise under section 28D, Office of Central Support Services, representing common support services for the proposed additional staff. An increase of \$2,136,100 would arise under section 35,

Staff assessment, based on the proposed establishment of new posts, to be offset by an equivalent amount under income section 1, Income from staff assessment. Those resource implications were summarized in paragraphs 15 to 20 and tables 1 to 4 of the report. The action requested of the General Assembly was presented in paragraph 355.

7. **Mr. Pascoe** (Under-Secretary-General for Political Affairs) said that the Secretary-General had identified the strengthening of the Department of Political Affairs as an important part of his broader vision for strengthening the Organization in all its pillars. The rationale and detailed proposals were contained in the Secretary-General's report (A/62/521 and Corr.1). The proposals constituted a vital complement to the earlier reform of United Nations peacekeeping operations. The Organization needed to become more effective not only at stabilizing conflict situations and dealing with their humanitarian side effects, but also at preventing and resolving them through political means, as prescribed in the Charter.

8. The Secretary-General's proposals responded, in particular, to the call for more effective use of such tools as preventive diplomacy, mediation and the good offices of the Secretary-General in the service of Member States and partners in regional organizations. The Secretary-General wanted a United Nations that could act quickly and effectively in the field. Recent experience in Kenya, with the rapid deployment of the Department's staff to Nairobi at the request of the African Union-led mediation team, was a good example. The Department's political and electoral experts had made critical contributions to averting a larger tragedy. At the same time, the Department's role in Kenya had underscored the limitations it faced. Mobilizing just a few key staff members to Nairobi had proved to be a major strain on the regional divisions for Africa, and had resulted in greatly diminished attention to other critical situations. The need to respond to short-term crises often prevented the Department from focusing on such longer-term issues as planning, training, effective management, the building of synergies with regional organizations and ensuring coherence with other parts of the United Nations system.

9. The constraints facing the Department had been well documented in reports and evaluations that attested to an unsustainable trend of rising responsibilities and zero growth in resources. The

result was a political department unable to consistently perform the kind of analysis, diplomatic engagement and coordination required for successful preventive diplomacy.

10. The Department felt those limitations in particular at Headquarters, where responsibilities for managing and overseeing sensitive diplomatic initiatives and field operations had grown enormously. According to the Office of Internal Oversight Services (OIOS), there had been a six-fold increase since 1990 in United Nations preventive diplomacy missions and there was no reason to expect that demand to decrease. Meanwhile, the Department had continued to shoulder its other substantial everyday responsibilities in New York, including servicing committees of the General Assembly and the Security Council, and carrying out its role as the political and diplomatic support structure for the Secretary-General. Resources dedicated to those essential functions competed for attention devoted to policy analysis for preventive diplomacy, as well as to the oversight and management of political missions in the field. The Department also faced increased requests from other parts of the United Nations system for political advice.

11. Accordingly, the Secretary-General was proposing a number of steps to strengthen the Department. First, he was proposing a substantial strengthening of the regional divisions, along with some reorganization for greater efficiency. Second, he was seeking support for establishment of an integrated Policy, Partnerships and Mediation Support Division, which would help the Organization to be more systematic in carrying out mediation efforts and would increase the Department's capacity to work on cross-cutting issues affecting peace and security. That division would also play a critical role in enhancing the professionalism of the entire Department. Third, he was requesting additional resources to strengthen the Security Council Subsidiary Organs Branch and the Electoral Assistance Division in order to meet continued strong demand for their services from Member States and to respond to OIOS recommendations. Finally, he was requesting posts to enhance the Department's management, evaluation, oversight and communications capacity.

12. Under the Secretary-General's proposals, the Department's staffing would increase by just over a hundred posts, from the current base of 223. The total cost was estimated at \$21 million for the 2008-2009

biennium. The Secretary-General had also outlined — in concept only — the establishment of a limited network of regional offices, in consultation with Member States.

13. Throughout discussions with the Committee over recent months, there had been strong expressions of support for the strengthening of the Department. There seemed to be a consensus on the importance of preventive diplomacy and of the wisdom of sharpening the diplomatic tools of the Secretary-General. At the same time, the Department had noted the concerns raised by delegations — both with the content of the Secretary-General's proposal and with the process itself. Some of those issues had been addressed in the recent exchange of letters between the Joint Coordinating Committee of the Group of 77 and China and the Non-Aligned Movement and the Secretary-General.

14. With regard to regional offices, it was important to stress that they would be opened only at the request of the host country and all others in the region, on the basis of an appropriate mandate. It was clear that there could be no single approach given the diversity of clients. Partnerships and coordination with regional and subregional organizations would have greater immediacy and relevance in some areas than the prevention of conflict. The Department would also work to become more diverse: in staffing new posts, priority would be given to women and men from underrepresented countries in accordance with the targets established by the General Assembly for both gender balance and geographical representation.

15. With regard to the regional divisions within the Department, the sections and units proposed in the Secretary-General's report could be easily changed in the light of alternative proposals. As for cross-cutting issues, the Department did not seek to duplicate capacity that existed elsewhere in the system. Decisions by Member States to create new bodies covering cross-cutting issues, such as the Peacebuilding Commission, the Peacebuilding Support Office and the Peacebuilding Fund, resulted in greater, not fewer, demands on the Department, since the outputs and decisions of those bodies must include political inputs. Many cross-cutting issues were the subject of regular debate in the General Assembly and other legislative bodies, as well as of expectations that the Secretary-General should develop positions and

advise Member States on the impact of such issues on peace and security.

16. Ms. McLurg (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/62/7/Add.32), said that a major part of the additional resources requested by the Secretary-General, \$14.3 million out of the total of \$21 million, related to section 3, Political affairs.

17. The Advisory Committee recognized that there were organizational and resource constraints in certain areas of the Department of Political Affairs which impeded its ability to fulfil its tasks. While the Advisory Committee recommended acceptance of some additional capacity, it cautioned against the fragmentation of the regional divisions into a multiplicity of units, since that could make it difficult to deploy staff as emerging needs arose, and could lead to requests for additional senior posts to head new units. In addition, given the work of existing regional organizations in several areas, the Advisory Committee considered that it would be more efficient, in those cases, to deal with issues in an integrated manner instead of on a country-specific basis.

18. The Advisory Committee had previously pointed out the need to consider possible synergies, not just between the Department of Peacekeeping Operations and the Department of Political Affairs, but also among all departments of the Secretariat, specialized agencies, funds and programmes, regional commissions and other actors of the United Nations system, including country teams, in order to achieve efficiencies and/or savings, instead of resorting to requests for additional resources. In carrying out its functions it was important for the Department to take full cognizance of the competence of other relevant entities with a comparative advantage. In some regions, the Department should complement, rather than duplicate, the work already done by competent regional and subregional organizations involved in peace and security.

19. While noting that operational arrangements between the Department of Political Affairs and the Department of Peacekeeping Operations had improved, the Advisory Committee was of the opinion that various issues needed to be addressed and reported on to the General Assembly. Those included the development of clear criteria and transparent decision-

making mechanisms to determine the lead department for special political missions in the field, as well as a clear definition of the respective roles of the two Departments in providing support for special political missions. In addition, the development of a methodology for support arrangements for special political missions, indicated by the Secretary-General in his report on special political missions (A/62/512), should take full account of recent measures such as the strengthening of the capacity of United Nations peace operations, any decisions that the General Assembly might take on the current proposals for strengthening the Department of Political Affairs, and lessons learned in supporting peace operations.

20. The Advisory Committee agreed with OIOS that merely adding staff was insufficient to ensure the fulfilment of mandates. A qualitative transformation of the work processes of the Department was required, with a human resources strategy that addressed requisite skill sets for the staff, as well as training.

21. The Advisory Committee took note of the proposed regional approach to preventive diplomacy and mediation as an important element in the Department's work. However, with regard to the Secretary-General's intention to develop a larger network of regional field presences, there was a need to avoid a fragmented and piecemeal approach. The Advisory Committee expected that the Secretary-General would provide a detailed comprehensive proposal on the strengthening of regional field presences, including information on the justification for the establishment of such offices, the procedures for approval by the appropriate legislative bodies, the process for consulting Member States in the area of focus, the functions envisaged for such offices, and the interaction and coordination mechanisms with the other entities present in the field, such as peacekeeping operations, special envoys, United Nations agencies, funds and programmes, the Peacebuilding Support Office, and regional organizations, as well as on the organizational and financial arrangements envisaged.

22. In conclusion, the Advisory Committee's recommendations would involve an overall reduction of \$8.1 million in the additional estimate of \$21 million requested by the Secretary-General and a reduction of 41 posts in the 101 additional posts proposed.

23. **Ms. Simkić** (Slovenia), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania, Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, Armenia, Georgia, Liechtenstein and Ukraine, said that the European Union attached great importance to the role of the United Nations in preventing and resolving conflicts, and strongly supported the work of the Organization in the area of preventive diplomacy. While reiterating its concern at the piecemeal approach to the regular budget for 2008-2009, the European Union recognized that there were organizational and resource constraints in the Department of Political Affairs that limited its capacity to fulfil its functions, and looked forward to discussing the proposal before the Committee on their merits. The aim, in strengthening the Department, was to fill gaps, avoid duplication and ensure a coordinated and coherent approach to conflict prevention, peacekeeping and peacebuilding across the United Nations system. The common objective should be to ensure that the Organization as a whole was able to deliver in the best and most efficient manner. Cost-effective management and how to manage the process of change were key elements.

24. **Mr. Hunte** (Antigua and Barbuda), speaking on behalf of the Group of 77 and China, said that the Group attached great importance to the strengthening of the United Nations and the development of the Organization's full potential on the basis of priorities and mandates approved by Member States. A reformed United Nations must be responsive to the entire membership, faithful to its founding principles and adapted to carrying out its mandate. The success of reform could only be judged in terms of a collective assessment of the improved functioning of the Organization. A stronger United Nations that responded more effectively to the collective needs of all Members was in the common interest.

25. The Group shared the view that improving the Organization's capacity to prevent and resolve conflicts was a better investment than dealing with the costly aftermath of wars and armed conflicts. Efforts to enhance the role of the United Nations in preventing conflict should be balanced, comprehensive, and in full accordance with the Charter and international law, and must go hand in hand with parallel efforts to address the root causes of conflict, in particular by achieving

sustainable development through sustained economic growth and the eradication of poverty.

26. The Group expected to start consideration of the Secretary-General's proposals on strengthening the development pillar of the Organization and urged the Advisory Committee to report thereon as a matter of priority, taking into account the interrelation between those proposals and the proposals on strengthening the capacity of the Department of Political Affairs in the areas of preventive diplomacy and conflict resolution. The Group firmly believed that a stronger United Nations needed a stronger development pillar because there could be no peace without development.

27. The Group had carefully considered the report of the Secretary-General (A/62/521 and Corr.1). It welcomed some elements of the proposals but also had significant concerns, which were reflected in the letter dated 7 March 2008 from the co-chairmen of the Joint Coordinating Committee of the Group of 77 and China addressed to the Secretary-General (A/C.5/62/24) requesting a corrigendum. The Group expressed its disappointment that the Secretariat had not complied with its request. The Secretary-General's report contained political judgements that might have counterproductive consequences and a number of the proposals had no intergovernmental mandate. The views, priorities and role of developing countries, including their contribution to conflict prevention and resolution, were not adequately reflected in the report. Clarification was therefore needed of some of the proposals to allow Member States to make an informed decision.

28. The objective of strengthening and rationalizing the Department, including its supportive role in conflict prevention and resolution, was to improve its effectiveness and efficiency. The Department's mandate had been established by the decisions of Member States, as should any change in its mandate and structure. The Group welcomed the assurances by the Under-Secretary-General for Political Affairs contained in his letter dated 11 March 2008 addressed to the co-chairmen of the Joint Coordinating Committee (A/C.5/62/25) that the proposals of the Secretary-General did not entail any expansion of the functions already assigned to the Department. However, the Group would like more information from OIOS on that issue, as well as an indication of which department in the Organization was responsible for special political missions.

29. With regard to the establishment of regional offices, the Group concurred in the observations of the Advisory Committee (A/62/7/Add.32, para. 23). The establishment of such offices would require an appropriate mandate from the General Assembly, covering only the countries of the region in question and implemented with the agreement of all States involved. That should be done on a case-by-case basis, taking into account the specificities of the various regions and in full respect for the principles of sovereignty and independence.

30. While the Group welcomed the assurance given by the Under-Secretary-General that no specific request for resources to establish regional offices was being made, and that there was no set formula for how those offices would conduct their work, it recalled that in the fact sheet on the Department's website dated 25 October 2007 the key elements of the plan to strengthen the Department included rationalizing its field presence through the establishment, in close consultation with Member States, of a limited network of regional offices that would assist Member States and regional organizations with preventive diplomatic efforts. The Group expected an explanation of the apparent contradiction.

31. Similarly, the Group had concerns regarding some of the proposals for restructuring the regional divisions within the Department. It fully agreed with the Advisory Committee that some divisions did not warrant the proposed multiplicity of units and would benefit more from an issue-oriented approach. The indication by the Under-Secretary-General that the Department would continue the current practice of using flexible teams rather than dividing each regional division into formal sections and units required clarification.

32. The Group reiterated the importance of the principle of equitable geographical distribution, with a view to rectifying the current imbalance in the Department. Citizens of the regions in question were the most knowledgeable about their regions. Simply giving priority to women and men from underrepresented countries did not address the Group's concerns and might even accentuate the current imbalance.

33. The report of the Secretary-General lacked detailed information on the Department's mandates regarding policy planning and cross-cutting issues, as

did the Under-Secretary-General's letter. Further information was needed on the mandates approved by Member States in connection with the Department's expansion of functions and mandates in the area of cross-cutting issues, as well as on the demands on the Department for political advice from United Nations bodies with relevant established mandates. Finally, the fact sheet dated 25 October 2007 also referred to a follow-up proposal for a support account to be submitted at a later stage, a proposal which would require appropriate consideration.

34. **Mr. McNee** (Canada), speaking on behalf of Canada, Australia and New Zealand (CANZ), said that the prevention of violent conflict and the peaceful settlement of disputes were central to the mandate of the United Nations. The CANZ delegations had long supported the Organization's efforts in that regard.

35. Preventive diplomacy lay at the very core of the United Nations Charter. The Security Council and the General Assembly had expanded the Organization's mandates relating to preventive diplomacy, and both Member States and regional organizations had made increasing demands on the Department of Political Affairs in support of their own efforts to prevent conflict. While the Department had achieved a great deal, despite limited resources, a growing number of reports, dating back to the Brahimi report of 2000, had shown that it was simply not equipped to provide the strategic leadership needed for the Organization to truly engage in preventive diplomacy.

36. The CANZ delegations were pleased that the proposals contained in the Secretary-General's report (A/62/521 and Corr.1) focused on three key elements, namely reconfiguring the structure of the Department to make it more field-oriented; providing adequate resources for preventive diplomacy; and ensuring improved cooperation with partners both within and without the Organization.

37. It was important for the strengthening of the Department of Political Affairs to improve the functioning of the Organization itself. There was a need for better coordination across the United Nations system in addressing potential conflict situations and for reassurance that the Department of Political Affairs was working effectively, not only with the Department of Peacekeeping Operations and the Department of Field Support, but also with the wide range of actors within the United Nations system. The Advisory

Committee had raised a number of valid concerns in that regard.

38. The CANZ delegations were committed to equipping the Secretariat with the resources needed to effectively and efficiently carry out its activities. While additional resources were needed, they would seek assurances that all possibilities for reallocation had been exhausted and that the requests for additional resources had been carefully analysed.

39. The CANZ countries agreed that additional resources should be allocated to the Asia and Pacific Division and the Africa Divisions and that the Asia and Pacific Division should be split into two. They also supported strengthening the Mediation Support Unit and the Electoral Assistance Division, as those bodies performed difficult tasks, with limited resources.

40. **Mr. Lima** (Cape Verde), speaking on behalf of the African Group, said that the Group welcomed the Secretary-General's proposals to strengthen the capacity of the Department of Political Affairs to prevent and resolve conflicts.

41. Because there were more conflicts in Africa than in any other continent, conflict prevention and resolution could not be treated exclusively within the general framework contained in the Secretary-General's proposals — Africa must receive special consideration. The causes of conflict, such as poverty, weak economic systems, unstable democratic institutions and development, needed to be addressed squarely. The Group looked forward to a strengthened partnership between the Department and the African Union in supporting elections, combating poverty, protecting refugees and preventing the spread of violence.

42. Preventive diplomacy and conflict resolution required a corresponding increase in resources. The African Group noted with concern that the Advisory Committee had recommended against many of the posts requested for Africa and looked forward to hearing the Secretariat's views on the impact of those recommendations.

43. The Group was equally concerned at the proposal for the establishment of regional offices — such offices could not be set up without the approval of the country concerned and the endorsement of the General Assembly, and their authority could not extend beyond the borders of the country in question.

44. The African Group attached great importance to equitable geographical distribution, a cardinal principle of the United Nations Charter. The strengthening of the Department must take into account the need to redress the current imbalance.

45. **Mr. Heller** (Mexico), speaking on behalf of the Rio Group, said that the Group recognized the importance of mechanisms to strengthen the Organization's preventive diplomacy capacity; it also acknowledged that the ability of the Department of Political Affairs to carry out its functions effectively was undermined by resource constraints and structural limitations.

46. He regretted that the political elements contained in the Secretary-General's report had not been discussed in another forum. The Fifth Committee should consider only the financial and budgetary aspects of the proposals.

47. The Group noted with great concern incorrect references and inappropriate judgements concerning the Latin American and Caribbean region. It had pointed out the errors to the Secretariat for correction.

48. The Group concurred in the Secretary-General's proposal to establish an independent Americas Division but did not agree with the proposed sections. It would be more logical to divide the Division into three rather than four sections, namely North America; South America; and Central America and the Caribbean.

49. The Group trusted that the Department of Political Affairs, in coordination with the Department of Peacekeeping Operations, would pay appropriate attention to Haiti — the only Rio Group country on the Security Council agenda — particularly in the area of electoral assistance. Through its Americas Division, the Department must coordinate with regional organizations, such as the Organization of American States (OAS), as well as subregional organizations. Latin America already possessed the necessary political instruments to deal with specific political issues.

50. While the Advisory Committee's report (A/62/7/Add.32) provided a good basis for discussion, the proposals required further analysis and should take into account the strengthening of other departments, particularly the Department of Peacekeeping Operations, and the possibility of establishing synergies with other entities in the United Nations

system. That was particularly important, given that the rationale behind the proposal was to make the Department of Political Affairs more field-oriented.

51. The Group was not convinced that it would be beneficial or relevant to establish a regional office in Latin America. The establishment of regional offices in other regions should be approved only with the consent of the States involved, in full coordination with the competent regional bodies. The Group concurred with the Advisory Committee that full information should be provided on the justification for the establishment of such offices; the procedures for their approval by the appropriate legislative bodies; and the process for seeking the views of Member States.

52. **Ms. Juul** (Norway), speaking also on behalf of Iceland, said that Norway supported the Secretary-General's desire to reform and strengthen the Department of Political Affairs. However, the Secretariat must assure Member States that existing resources were being utilized fully and that possible efficiencies and/or savings were being explored.

53. Norway concurred with the Advisory Committee that it was necessary to broaden collaboration by the Department of Political Affairs with the rest of the United Nations system. The regional divisions of the Department should be strengthened, with a view to improving such collaboration and avoiding duplication.

54. Norway agreed with the Advisory Committee that the respective roles of the Department of Political Affairs and the Department of Field Support needed to be clarified. She requested details of the Departments' efforts to establish the terms of reference for cooperation on field missions.

55. Norway would also welcome the development of a methodology for support arrangements for special political missions. It was important to employ best practices to secure a results-based culture.

56. Despite repeated calls for equitable geographical representation, some countries, including Norway, continued to be underrepresented in the Department. Reform and strengthening should take into account the need to meet geographical targets and achieve gender balance.

57. Norway welcomed the proposal to establish a Policy, Partnerships and Mediation Support Division. It should work closely with similar units in the Peacebuilding Support Office, the Department of

Peacekeeping Operations, the United Nations Development Group, the Department of Economic and Social Affairs and other parts of the United Nations system.

58. Mr. Kim Hyun Chong (Republic of Korea) said that the peacekeeping budget for 2007-2008 amounted to nearly \$7 billion and was expected to increase further during 2008-2009. While the management of ongoing conflicts and peacebuilding were being given the necessary attention, the importance of preventing conflicts had been underestimated; preventing disputes from escalating into violent conflicts was a better way to secure international peace and security than post-conflict measures — preventive diplomacy was a core function of the United Nations.

59. The proposals contained in the Secretary-General's report were appropriate, relevant and timely. At the same time, his delegation would appreciate receiving a cost-benefits analysis of the proposed measures. It would also be useful if the Secretariat could provide examples of successful preventive diplomacy.

60. In its audit of the management of special political missions by the Department of Political Affairs (A/61/357), the Office of Internal Oversight Services had stated that the mandates and capacities of the Department of Political Affairs and the Department of Peacekeeping Operations presented an inherent risk of duplication and overlap for the political affairs functions in their regional divisions. The Secretariat should therefore specify more clearly the scope and role of each Department. Korea concurred with the Advisory Committee that fragmentation of the regional divisions, which could lead to structural rigidity, should be avoided. Consideration should be given to possible synergies between the Department of Political Affairs, the specialized agencies and other relevant entities.

61. Mr. Rosales Díaz (Nicaragua), speaking also on behalf of Bolivia, said that his delegation agreed that certain gaps in the Department of Political Affairs needed to be addressed. However, there was no clear mandate from the Assembly to carry out the restructuring proposed in the Secretary-General's report. What was more, the report reflected an astonishing lack of judgement, political sense — or even common sense — with respect to certain regions.

The preparation of the revised estimates should have been monitored more carefully.

62. The Joint Coordinating Committee of the Group of 77 and the Non-Aligned Movement had asked for a corrigendum to be issued, so as to enable the Fifth Committee to concentrate on financial and administrative matters rather than contentious political issues. However, that had not been done. The Department claimed that there had not been sufficient time and that the issuance of the corrigendum would have set an unfortunate precedent. Those arguments were not valid, and in fact the Secretariat had already issued one corrigendum to the report. It was clear there had been a lack of transparency, and that a limited number of delegations had put undue pressure on the Secretariat.

63. Regarding the efforts to ensure synergies among the Department of Political Affairs, the Department of Peacekeeping Operations and the Department of Field Support, a large number of mechanisms for interaction had not yet been defined. His delegation was concerned at the comment by the Office of Internal Oversight Services that the reporting lines in special political missions remained uncertain.

64. The division of work among the various Departments needed to be clarified and development bodies such as the Economic and Social Council and the United Nations Development Programme also needed to coordinate their efforts and objectives.

65. Efforts to increase the Organization's preventive diplomacy capacity must take into account the social and economic problems that were central to many conflicts. It was essential to strengthen development activities, bearing in mind the close connection between peace, development and respect for human rights.

66. He agreed that the establishment of regional offices required the approval of the General Assembly — the only universal legislative body with the requisite political authority — as well as the explicit consent of the States concerned.

67. The Secretary-General's report contained a series of erroneous political analyses, particularly with respect to the Americas. The errors were likely due to a lack of capacity in the Department, but also to the fallacy that, when left-wing governments were elected democratically, citizens suffered "growing

disappointment with the dividends of democracy". Such statements were counterproductive and historically inaccurate.

68. His delegation concurred in the Advisory Committee's recommendations concerning the capacity of the Americas Division. The Division required genuine equitable geographical representation, particularly of nationals from developing countries, so that the staff would understand the region.

69. Nicaragua firmly opposed the establishment of any regional or subregional office in the Americas. If a country agreed to the establishment of an office of the Department of Political Affairs in its territory, the office should be national, not regional or subregional.

70. Lastly, at the Rio Group Summit held in the Dominican Republic at the beginning of March, the countries of the Americas had demonstrated unequivocally that they were capable of promptly resolving any crisis without outside interference. They would continue to focus on strengthening their regional mechanisms for political dialogue and preventing any form of external interference.

71. **Mr. Davide** (Philippines), speaking also on behalf of the Lao People's Democratic Republic, Malaysia, Myanmar and Thailand, said that any steps to implement the Secretary-General's suggestion to establish regional offices as part of the strengthening of the Department of Political Affairs should be approved by the General Assembly, and the Member States concerned should be fully apprised of the regional offices' objectives and functions and of their related organizational and financial arrangements. For the sake of transparency and avoiding duplication, full information should be provided about the interaction of each proposed regional office with other United Nations entities in the field, including funds and programmes, peacekeeping operations and special envoys. More specifically, the suggestion to establish a regional office in South-East Asia should be discussed with the Member States in the area, and their full consent should be obtained. In that connection, the Secretariat should explain how the office would relate to the existing regional organization in the area.

72. The delegations concerned welcomed the clarifications on the establishment of regional offices provided by the Under-Secretary-General for Political Affairs in his letter of 11 March 2008 to the Joint Coordinating Committee of the Non-Aligned

Movement and the Group of 77 and China (A/C.5/62/25). They particularly valued the assurance that the offices would be opened only with the prior consent of the host country and all other countries in the region, and with an appropriate mandate as established by Member States, on a case-by-case basis. They had also noted that the regional offices would have no extraterritorial role, and that the report of the Secretary-General had neither made an exhaustive list of potential regional offices nor made a specific request for funding. They looked forward to continued transparent and open interaction that would provide Member States with full information on the efforts to strengthen the Department of Political Affairs and therefore facilitate informed decisions on the part of affected Member States.

73. **Mr. İkin** (Turkey) said that his delegation, having supported the statement made by the representative of Slovenia on behalf of the European Union, wished to reiterate the importance it attached to strengthening the Department of Political Affairs, which acted as the operational arm of the Secretary-General's good offices efforts and preventive action, and provided an overall strategy for countries in conflict or emerging from conflict.

74. As OIOS had indicated in its report on the audit of the management of special political missions by the Department of Political Affairs (A/61/357), the Department's financial resources had not expanded at the same pace as its activities, presenting a serious challenge to its capacity to fulfil its functions and mandates. It was preferable to have access to resources to resolve disputes at an early stage and thus prevent larger, more acute and more complex conflicts from erupting. Greater mobility and presence in the field were important to cope with such situations and enable the Organization to act as a more proactive and effective platform for preventive diplomacy, good offices and mediation.

75. The current proposal to strengthen the Department of Political Affairs, which required the allocation of funds, deserved careful and positive attention. Naturally, the Organization should try to find ways to redeploy staff from within the United Nations system to understaffed units, instead of directly creating new posts. As the Advisory Committee had suggested in its report (A/62/7/Add.32), coordination and cooperation among United Nations entities was

needed to ensure complementarity and avoid duplication and overlap.

76. It was important to find the right combination and balance between budgetary discipline and the effective conduct of political affairs, remembering the important and urgent need to strengthen the Department of Political Affairs and that Department's influence on the success of the Organization.

77. **Mr. Rashkow** (United States of America) said that his delegation strongly supported the mandate of the Department of Political Affairs, which sought to prevent and resolve conflicts before they escalated and required the establishment of peacekeeping operations. While also acknowledging the need to strengthen the Department, his delegation believed that a number of matters should be considered before action could be taken on the proposals in the report of the Secretary-General. As the Advisory Committee had pointed out in its report, the Secretariat had failed to address a number of concerns.

78. Several OIOS reports had raised the issue of how the Department's functions and activities were defined, and how they related to the functions and activities of other United Nations entities. Moreover, as both OIOS and the Advisory Committee had noted, there was no clear division of labour between the Department of Political Affairs, the Department of Peacekeeping Operations, the Department of Field Support and other bodies, including the Peacebuilding Support Office. The questions and concerns of all Member States should be fully addressed before the Committee could conclude its review of the Secretary-General's proposals.

79. Lastly, the proposals for strengthening the Department of Political Affairs, like other proposals, should be considered in the context of the Organization's budget. The piecemeal, ad hoc approach towards the current budget was inconsistent with sound budgeting practices, and the Secretariat had identified more than \$1 billion in potential add-ons to the initial budget adopted in December 2007. Approval of those add-ons would result in the biggest ever increase in the United Nations budget — some 25 per cent — and the largest ever United Nations budget. In that context, his delegation had hoped that when presenting proposals requiring additional resources, the Secretary-General might have identified offsetting savings and efficiencies.

80. **Mr. Sadouk** (Morocco) said he wished to assure the Secretary-General of his delegation's support for reform of the Organization, which should be given the resources to respond more effectively to emerging needs and challenges on the basis of the priorities and mandates determined by the Member States. His delegation particularly supported preventive diplomacy and the peaceful resolution of conflicts, believing that the Organization's capacities in that regard should be improved through action that was the subject of agreement, balanced and in accordance with the Charter of the United Nations, international law and the decisions and mandates of the Member States.

81. While some proposals for strengthening the Department of Political Affairs in the report of the Secretary-General were positive, others should be clarified so that the Member States could take well-informed decisions. The Under-Secretary-General for Political Affairs had provided further information in his letter to the Joint Coordinating Committee of the Non-Aligned Movement and the Group of 77 and China (A/C.5/62/25), but his delegation wondered about the reference, in the report of the Secretary-General, to expanding the activities of the Department to encompass cross-cutting issues such as climate change, democracy, terrorism, transnational organized crime, corruption, drug trafficking, security, radical ideology and fundamentalism, and migration. The necessary consensus on those issues had not been built up, and they were in any case usually dealt with in other bodies.

82. Within the Department itself, his delegation wished to see a greater presence of nationals of developing States, with priority given to successful candidates from the national competitive examination. Regional offices of the Department should be established only on the basis of an appropriate mandate and only with the approval of the host country and the support of the Member States in the region concerned. Regional offices should have no extraterritorial powers.

83. **Mr. Mukai** (Japan) said that his delegation wished to focus on consistency and efficiency in the field and at Headquarters, as well as budgetary discipline. His delegation understood the importance of conflict prevention, preventive diplomacy and mediation and the need for a presence in the field for those purposes. However, consistency and efficiency should be pursued in the area of peace and security as a

whole. Peacekeeping operations and special political missions currently lacked any clear criteria or consistent definition. In leading such missions, the Department of Political Affairs and the Department of Peacekeeping Operations should have a well-thought-out and clearly defined division of labour, and any reforms should be consistent with that principle. The establishment of field offices should take full account of the presence of other offices, including not only peacekeeping operations, but also the offices of funds and programmes.

84. At Headquarters, meanwhile, the regional divisions of the Department of Political Affairs and the Office of Operations of the Department of Peacekeeping Operations lacked communication and coordination. As OIOS had indicated in its report on the audit of the management of special political missions by the Department of Political Affairs (A/61/357), there was a risk that the resources of both Departments could be dedicated to performing the same tasks. Rather than making excessive requests for additional posts, the two departments should redeploy political affairs officers flexibly. However, it was positive that most of the posts requested were at the P-2 to P-4 levels, contributing to the rejuvenation of the Organization.

85. Lastly, it was a matter of concern that the restructuring of the departments of the Secretariat had been proposed piecemeal over the last year, moving from peacekeeping operations to political affairs and on to the development pillar, thus seriously undermining the Secretary-General's accountability to Member States. Following established practice, the Secretary-General's reform plans should have been presented as a whole in the budget for the biennium, with requirements carefully selected, applying appropriate budgetary discipline, and with a focus on high priorities and the redeployment of resources from obsolete activities.

86. Ms. Ávila (Panama) said that her delegation supported the strengthening of the Department of Political Affairs, believing that preventive diplomacy should be given a larger role, so that disputes did not degenerate into conflict which endangered international peace and security and caused material damage and loss of life.

87. The political aspects of the Secretary-General's proposals should be carefully analysed before being

considered by the Fifth Committee, which, it must be remembered, was an administrative and technical body. With regard to the substance of the proposals, her delegation was in favour of increasing the Department's regional presence in Africa and in other regions in need of support and advice from the United Nations system. Resources should be used rationally, with action complementing that of the Department of Peacekeeping Operations, the specialized agencies and the funds and programmes.

88. Regional offices should only be opened with the consent of the host country and of the countries of the area, and in accordance with regional needs and the legislative mandates of the decision-making entities. Her delegation supported the recommendations of the Advisory Committee regarding the justification of new regional offices. The criteria used to determine whether or not the regional offices referred to in the proposals of the Secretary-General were warranted should be more precisely determined. Her delegation was in favour of the establishment of an office for the Latin America/Caribbean regions. It should be appropriately staffed to carry out specialized, technical assignments.

89. The staff of the Department of Political Affairs should have a wider geographical and gender balance. Qualified staff from the appropriate region should be recruited for its various regional divisions. Lastly, the Electoral Assistance Division should be given sufficient resources to support the electoral assistance efforts of United Nations missions and electoral assistance projects of the United Nations Development Programme, in order to encourage emerging democracies.

90. Mr. Ren Yisheng (China) said that his delegation supported necessary and rational steps to reform the Organization in order to enhance management and efficiency. The process should be guided by the principle of consensus and carried out step by step, without undermining the General Assembly's decision-making power over resource allocation and human resources policy.

91. Also supporting the positive role of the United Nations in safeguarding international peace and security in accordance with its Charter, his delegation believed that a reasonable increase of input in the areas of prevention and mediation, for example to strengthen early warning mechanisms and fact-finding missions, would have a positive effect on conflict prevention and

resolution, provided that the Security Council retained its leading role in that regard. As many international flashpoints were closely linked to the issue of development, the Organization should vigorously reinforce its development activities and pay close attention to post-conflict peacebuilding.

92. In recent years, the Department of Political Affairs had been increasingly busy dealing with preventive diplomacy, good offices efforts of the Secretary-General and mediation. His delegation therefore favoured strengthening the Department through restructuring and a greater number of posts, and believed that the Member States' decisions in that regard would be assisted by the recommendations of the Advisory Committee regarding such matters as staffing, integrated rather than country-by-country management of activities, establishment of regional offices and enhancing coordination with peacekeeping operations, special envoys and United Nations development agencies. In restructuring its regional divisions, the Department should aim to be streamlined and efficient, and avoid fragmentation and overstaffing. The establishment of regional offices should be addressed on a case-by-case basis, in the light of actual needs, with the consent of the countries of the region concerned and in accordance with the mandate of the General Assembly and the principle of consensus.

93. **Mr. Ja'afari** (Syrian Arab Republic) said that his delegation supported all genuine reform efforts aimed at making the Organization more effective, democratic, collective and transparent, at enabling it to meet the challenges of the twenty-first century, at implementing the legislative mandates established by the Member States and at responding to long-standing calls for comprehensive restructuring. Those efforts must be transparent and in accordance with the Charter of the United Nations and the wishes of its main bodies, chiefly the General Assembly.

94. In that connection, the Secretary-General should consult the Member States before making any proposals which affected their interests. That applied especially to the report which the Committee was currently considering, as the Department of Political Affairs was one of the most important in the Organization, having a key role in the central principle of preserving international peace and security and being called upon to fulfil the mandates established by the Security Council and the General Assembly.

However, while the Department had become more active everywhere in its main function — preventive diplomacy and the peaceful settlement of disputes — it was unfortunately devoting less attention to the situation in the Middle East, particularly the peace process. Although the region had been a major focus of the Organization's activities since its inception, it was becoming less so.

95. As the title of the report of the Secretary-General indicated, more resources were being sought in order to increase staffing and achieve restructuring in the Department, though without changing its legal mandates. If any new legislative mandates were contemplated, the approval of the General Assembly must be sought. While many of the proposals in the report were administrative or financial, others related to sensitive political issues, requiring more consultation of the Member States.

96. As an example, his delegation took the view that establishing a new Middle East and West Asia Division divided into Middle East and Gulf sections had no basis in logic or in the realities of the Middle East. His delegation's view had been transmitted to the Department of Political Affairs and recognized as valid and well founded, and he trusted that it would be reflected in a revised version of the report once the Committee had completed discussions. Concern over the proposals for the restructuring of the Department's regional divisions had been expressed in the letter addressed to the Secretary-General by the co-chairmen of the Joint Coordinating Committee of the Group of 77 and China and the Non-Aligned Movement (A/C.5/62/24). His delegation had noted with concern that the request for a corrigendum to the report of the Secretary-General (A/62/521 and Corr.1) contained in the attachment to that letter had not been acted upon, perhaps because of the ongoing discussion in the Fifth Committee. He wished to reiterate that if the Secretary-General routinely consulted the Member States before formulating new proposals, no corrigendums would be necessary.

97. The Department of Political Affairs was far from achieving equitable geographical representation among its staff, with many being from particular States. His delegation wished to see more staff members from developing countries, particularly Arab States, especially in the light of the Department's role of supporting not just the activities of the Security Council, but also those of the General Assembly.

Examples included the Committee on the Exercise of the Inalienable Rights of the Palestinian People, the Division for Palestinian Rights, the Office of the Special Coordinator for the Middle East Peace Process, the register of damage in connection with the advisory opinion of the International Court of Justice on the Legal Consequences of the Construction of a Wall in the Occupied Palestinian Territory, including in and around East Jerusalem and the Decolonization Unit.

98. **Mr. Butagira** (Uganda) said that the maintenance of international peace and security was not only a core Charter obligation for all Member States, but also one of the three pillars of the Organization's work. The importance of preventive diplomacy, through mediation and the enhanced use of good offices, could therefore not be overstated. The report of the Secretary-General under discussion was a good starting point for the General Assembly to propose workable recommendations on how to further that principle.

99. The Secretary-General's intention to rationalize the Department's presence in the field through the establishment of a small network of regional offices had been duly noted. However, while commending the intention to establish a regional office in Central Africa and the Great Lakes region, his delegation concurred in the recommendations of the Advisory Committee contained in paragraph 23 of its report (A/62/7/Add.32): the process for seeking the views of Member States and regional organizations, where such regional offices were to be established, must be transparent, in particular in connection with the establishment of the proposed office in Central Africa and the Great Lakes region.

100. The Secretary-General, through his Special Envoy for the Lord's Resistance Army-affected areas, was to be commended on the important role that he had played in the Juba peace talks between the Government of Uganda and the Lord's Resistance Army. As a result, there were real prospects that a comprehensive peace agreement would be signed in the near future. However, in view of the fact that the talks had reached a conclusive stage, there was little value in the Secretary-General's proposal for an additional Political Affairs Officer (P-4) to work exclusively on supporting the peace process in northern Uganda.

101. **Ms. Dinić** (Croatia) said that her delegation supported the strengthening of the Department of Political Affairs, which should improve United Nations

capacity in the field of conflict prevention. There was no doubt that conflict prevention was worthy of appropriate efforts and resources, and that the Organization should work closely with Member States and regional organizations in that regard. However, the Organization also needed to be more efficient in fulfilling its mandates.

102. Her delegation would support the establishment of regional offices, provided that the host country and all countries of the region in question had given their full prior consent. However, despite the fact that two regional offices had already been established in Dakar and Ashgabat, regional offices should not be established by adopting a "one-size-fits-all" approach and in future full information about the proper justification for opening such offices should be given.

103. The two letters circulated as official documents (A/C.5/62/24 and A/C.5/62/25) had been duly noted. In that connection, her delegation understood the concerns expressed by Member States in the former and appreciated the clarifications provided by the Secretariat in the latter. Her delegation supported the Secretariat's intention to fully respect geographical representation and gender balance while recruiting from among the best qualified candidates.

104. She shared the Advisory Committee's concerns that the proposed fragmentation of the regional divisions into a multiplicity of units by specific countries might not be the best solution. She also agreed that in some regions the work of the Department of Political Affairs should complement what had already been accomplished by the competent regional and subregional organizations.

105. **Mr. Ng'ongolo** (United Republic of Tanzania) said that conflicts in Africa usually took the form of inter-State or intra-State conflicts. The United Republic of Tanzania itself had been severely impacted by the spillover effects of intra-State conflicts. However, the strengthening of the African Union and the establishment of regional and subregional integration schemes was helping to diffuse inter-State tensions and to prevent intra-State conflicts. One of the main challenges for Africa today was thus how to prevent such devastating conflicts, which not only discouraged tourism to and direct foreign investment in Africa but which also destroyed Africa's physical economic infrastructure, thereby hindering financial activities.

106. Preventive diplomacy could make an effective contribution to the efforts of African countries and their development partners to achieve socio-economic development in Africa. His delegation therefore fully supported the proposal by the Secretary-General to strengthen the Department of Political Affairs in order to increase its capacity for preventive diplomacy. It also supported the strengthening of the Liaison Office at Addis Ababa by elevating it to the status of Peace and Security Support Office to the African Union Commission. Lastly, it welcomed the initiative by the Department of Political Affairs on measures aimed at enhancing its cooperation with regional and subregional integration schemes in Africa so as to promote peace and security in that region. Peace and security were critical to the realization of sustainable development in Africa.

107. **Mr. Alouan Kanafani** (Bolivarian Republic of Venezuela) recalled that his delegation had already expressed its opinion on the political aspects contained in the report of the Secretary-General (A/62/521). Those concerns had been addressed to some extent by the issuance of a corrigendum (A/62/521/Corr.1) and by the letter from the Secretary-General dated 11 March (A/C.5/62/25). He understood that the issuance of a second corrigendum had not been possible owing to time constraints and that the response contained in the Secretary-General's letter therefore represented a binding document for the purposes of negotiations. In that respect, he recognized and welcomed the readiness of the Secretary-General to address the relevant countries' concerns. However, his delegation also called on the Secretariat to provide a more detailed response than that contained in the Secretary-General's letter (A/C.5/62/25), so as to answer all of the questions raised concerning the mandate of the Department of Political Affairs.

108. Delegations should analyse the proposal before them in a comprehensive manner with a view to ensuring that the outcome reflected a balance between the three main pillars of the Organization. Furthermore, the proposed reform to strengthen the development pillar was part of the balanced approach required to reform the Secretariat and it should therefore be dealt with as a matter of priority.

109. His delegation welcomed the proposal to strengthen the political role of the Secretary-General, in view of the essential nature of his diplomatic mediation and the authority that he commanded as a

world figure representing the highest values enshrined in the Charter of the Organization. In that respect, his delegation would not oppose some of the central objectives put forward in the proposal. However, some of the aspects of the proposal exceeded the scope of the Department of Political Affairs and seemed to encroach on the work of other departments, such as the Department of Peacekeeping Operations and the Department of Field Support.

110. His delegation recognized the need for resources to strengthen the regional divisions and would support the approval of such resources, provided the concerns already expressed by the Group of 77 and China and the Rio Group were taken into account. It also supported the Rio Group's proposal concerning the Americas Division, which should reflect the geographical and political realities of its subregions. Similarly, regional divisions and their respective subdivisions should have qualified staff from their own regions while also maintaining an appropriate gender balance.

111. Lastly, his delegation urged the Advisory Committee to finalize its report on the development pillar as a matter of priority so that the Fifth Committee would have sufficient time to consider that matter at the current resumed session. In that connection, it was important to point out that the fulfilment of the development mandates would have a positive impact on potential conflict situations in various regions.

112. **Mr. Coffi** (Côte d'Ivoire) said that his delegation welcomed the Secretary-General's proposal to strengthen the Department of Political Affairs as a major step forward in preventive diplomacy by the international community. The approach that had been adopted reflected both the spirit and the letter of the Charter of the United Nations and would help to enhance the Organization's effectiveness by providing a useful complement to peacekeeping and peacebuilding operations throughout the world. Thus, the Department of Political Affairs should provide a pre-eminent structure for supporting the good offices of the Secretary-General, relying exclusively on impartial information from the field that had been verified by credible sources.

113. His delegation drew attention to a continued failure to respect equitable geographical distribution, which particularly affected the countries of the South.

That situation was exacerbated by breaches of the administrative rules resulting in unfair human resources practices that further undermined the recruitment procedure for nationals of countries of the South. Moreover, such practices were used by political missions and peacekeeping operations to serve interests that were not always in keeping with the mandates granted by the General Assembly. In order to put paid to any accusations of bias in crisis situations, it was important for there to be no more deviations from the mandates of peacekeeping missions.

114. With a view to ensuring the success of the Department's regional presence, his delegation put forward the following proposals: recruitment and redeployment should be carried out in conformity with the rules and practices agreed upon by the competent bodies of the United Nations; lessons learned should be taken into account in order to reduce job insecurity in certain occupational categories, particularly under the 200 and 300 series; unequal geographical representation should be addressed, both the low proportion of senior staff from the countries of the South in general and from Africa in particular, and also the excessively high proportion of posts at the P-4/P-5 and D-1/D-2 levels reserved for nationals from the countries of the North; a more objective system should be put in place to evaluate United Nations staff in order to reduce the current misuse of the performance appraisal system; and the African continent should be granted all the new posts established in the Secretariat, above and beyond the recommendations made by the Advisory Committee in its report on strengthening the Department of Political Affairs.

115. **Mr. Safaei** (Islamic Republic of Iran) recalled that the Fifth Committee had a mandate to examine the budgetary and administrative implications of the decisions taken by policymaking organs. In the present case, the Committee had been asked to discuss a proposal containing political judgements, in many instances without reference to intergovernmental mandates.

116. In the context of the current proposal, his delegation looked forward to the comprehensive report that the Secretary-General had been requested to submit to the General Assembly at the second part of its resumed sixty-third session pursuant to resolution 61/279, which would provide a better picture of the ongoing reforms. However, it would be difficult for the General Assembly to undertake a thorough discussion

of proposals aimed at strengthening the Department of Political Affairs in the meantime.

117. He also drew attention to the remarks made by the Advisory Committee in paragraph 23 of its report (A/62/7/Add.32) and concurred that merely adding staff was insufficient to ensure the fulfilment of mandates. The present proposal of the Secretary-General must address such issues. Furthermore, any genuine and serious efforts to enhance the role of the United Nations in preventive diplomacy must tackle the root causes of conflict and search for ways to achieve sustainable development and sustained economic growth. Such efforts should also be in full accordance with the Charter of the United Nations and should fully respect the national sovereignty and independence of Member States.

118. Lastly, with regard to the establishment of regional offices, the United Nations should seek the express consent of the host country and all countries in the region prior to the establishment of any regional office; Member States should decide on the establishment of regional offices on a case-by-case basis; a regional office should not have an extraterritorial mandate; and there should be no uniform formula for the establishment of regional offices.

The meeting rose at 1 p.m.

**General Assembly**

Sixty-second session

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Fifth Committee**Summary record of the 34th meeting**

Held at Headquarters, New York, on Monday, 17 March 2008, at 3 p.m.

Chairman: Mr. Ali. (Malaysia)*Chairman of the Advisory Committee on Administrative**and Budgetary Questions:* Ms. McLurg**Contents****Agenda item 128: Proposed programme budget for the biennium 2008-2009**
(continued)*Revised estimates relating to the proposed programme budget for the biennium 2008-2009 under section 1, Overall policymaking, direction and coordination, section 3, Political affairs, section 28D, Office of Central Support Services and section 35, Staff assessment, related to the strengthening of the Department of Political Affairs (continued)*

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08-27957 (E)



The meeting was called to order at 3 p.m.

Agenda item 128: Proposed programme budget for the biennium 2008-2009 (continued)

Revised estimates relating to the proposed programme budget for the biennium 2008-2009 under section 1, Overall policymaking, direction and coordination, section 3, Political affairs, section 28D, Office of Central Support Services and section 35, Staff assessment, related to the strengthening of the Department of Political Affairs (continued) (A/62/7/Add.32 and A/62/521 and Corr.1; A/C.5/62/24 and A/C.5/62/25)

1. **Mr. Bui The Giang** (Viet Nam) said that the Secretariat, in its efforts to strengthen the Department of Political Affairs, should pay attention to the need to ensure cost-effectiveness, balanced gender and geographical composition of the Department's divisions, and compliance with mandates conferred by the General Assembly.

2. While the establishment of regional offices had a role to play in strengthening the Department of Political Affairs, his delegation had concerns regarding the idea of opening a regional office in South-East Asia. South-East Asia was generally politically stable, and the countries of the region had proved capable of effectively and efficiently handling their political affairs. It would be better to see the strengthening of the Department focus on building mechanisms for closer coordination with the countries and existing institutions of the region, such as the Association of Southeast Asian Nations (ASEAN).

3. Moreover, without prejudging the outcome of discussions on the Secretary-General's proposals for strengthening the Department, and in view of the Organization's growing responsibilities and financial burden, it would be more appropriate for the funds intended for a regional office of the Department to be used to help better satisfy the development needs of the countries of the region. His delegation welcomed the assurance of the Under-Secretary-General for Political Affairs that regional offices of the Department would be opened only at the request of the host country and all others in the region, on the basis of an appropriate mandate. Should there be a need for such a regional presence, a transparent and inclusive process of consultation would be required before an informed

decision could be made at both the national and regional levels.

4. **Mr. Torres Lépori** (Argentina) said that the time was right, and the arguments compelling, to improve the Organization's capacity for preventive diplomacy. The recommendations of the Advisory Committee provided a good basis for the necessary strengthening of the Department of Political Affairs. The capacity of the Department's Electoral Assistance Division particularly needed improvement to ensure that it could cope with the increasing demand for its services.

5. Turning to the proposed reorganization of the Department's regional divisions, he said that his delegation could see no justification for establishing an Americas Division split into a Central America/Mexico Section, an Andean Section, a Caribbean Section and a North America/Southern Cone Section. For reasons explained at the previous meeting by the representative of Mexico, speaking on behalf of the Rio Group, the aims of the strengthening exercise would be better served by establishing a South America section within the Americas Division. Such a section should be staffed by individuals from the countries concerned, as they would have the best understanding of the political and social realities involved. The Department in general, and the potential South America section in particular, should pursue a geographical and gender balance among staff.

6. The Department should exploit the existing capacities of regional and subregional organizations. Any problems that arose in the region should be referred first to those organizations. Recalling that the Secretary-General had pointed out that peace, security and development were mutually reinforcing, he said that the proposed strengthening of the Department of Political Affairs should be seen as part of an overall reform effort which included the Organization's development activities.

7. **Mr. Sena** (Brazil) said that his delegation supported the strengthening of the Department of Political Affairs, recognizing the need to improve the Organization's capacity in conflict prevention, preventive diplomacy and electoral assistance, particularly in Africa and the Middle East.

8. His delegation subscribed to the views expressed by the Joint Coordinating Committee of the Group of 77 and China and the Non-Aligned Movement on the subject of the proposals for strengthening the

Department, which included concerns regarding the lack of prior consultation of the Member States, the submission to the Fifth Committee — a technical body — of a report containing political considerations, the need for Member States' consent to the establishment of regional offices of the Department and the inaccurate portrayal of Latin America, particularly the Andean subregion.

9. More specifically, his delegation believed that, as history had frequently demonstrated, the region had the collective means and institutions to deal effectively with political problems. The Department should therefore support the existing mechanisms. Moreover, preventive diplomacy and good offices could not succeed in the region without efforts to address underdevelopment and to combat hunger and poverty.

10. His delegation also subscribed to the view, already explained at the previous meeting by the representative of Mexico speaking on behalf of the Rio Group, that the proposed reorganization of the Department's regional structure was inappropriate in the case of Latin America. His delegation wished consultations to begin on the establishment of sections for North America, South America and Central America/Caribbean.

11. The work of the proposed Americas Division should focus on cooperation with a network of regional organizations, as the Advisory Committee had recommended in its report (A/62/7/Add.32). His delegation remained unconvinced of the need, benefits or relevance of a regional office of the Department in Latin America, a proposal which did not enjoy the full support of the region's Member States.

12. The Department of Political Affairs should play an important role in Haiti, the only country in the region on the agenda of the Security Council. Working in conjunction with the Department of Peacekeeping Operations, the Department of Political Affairs could make a crucial contribution to consolidating development and institution-building in the interest of preventing recurring crises.

13. The Department should establish appropriate mechanisms for consultation with regional and subregional organizations in Latin America and the Caribbean, including the Organization of American States, to make the most of available capacities. It should also make an effort to employ more staff from the region in order to profit from their direct

knowledge and understanding of its political, economic and social realities.

14. **Mr. Pitranito** (Indonesia) said that his delegation shared the views and concerns raised by other States members of ASEAN regarding the proposal to establish regional offices of the Department of Political Affairs, underscoring the need to consult and obtain the consent and agreement of countries in the region before such offices were set up, as explained in the letter addressed to the Secretary-General by the Joint Coordinating Committee of the Group of 77 and China and the Non-Aligned Movement (A/C.5/62/24).

15. In the light of the Organization's resource constraints, it would be prudent to prioritize the development of the Department's preventive diplomacy and mediation capacities in regions where they were most needed. The Department should also pursue synergy with existing regional preventive diplomacy efforts. Taking South-East Asia as an example, he indicated that ASEAN had taken significant steps to prevent emerging conflicts, and was further developing its abilities in that regard through the goal of establishing an ASEAN Security Community. It had also stimulated similar work in other regions, for example through the ASEAN Regional Forum. Any possible future development of the Department's regional preventive diplomacy capacity in South-East Asia should be in synergy with those existing and fast-developing ASEAN capacities.

16. **Mr. Tawana** (South Africa) said that his delegation, agreeing that prevention was better than cure, supported the strengthening of the Department of Political Affairs to make it better able to effectively and efficiently undertake conflict prevention, mediation and electoral assistance efforts, especially in Africa. However, the concerns about the reform proposals expressed by a number of delegations should be respected, and the work of the Department should complement that of other United Nations entities, without duplication. The principle of equitable geographical distribution in the recruitment of staff should also be adhered to.

17. **Mr. Debabeche** (Algeria) said that his delegation deeply regretted that the report before the Committee had been introduced in its current form. As was clear from the observations made by a number of delegations, there was no general agreement on the proposals it contained. It was no surprise that the most

ardent proponents of the reform measures in question, unwilling to supply the necessary funds, wished to draw on existing resources in the hope that mandate reform would generate savings to make up the deficit, to the detriment of resources for development and humanitarian efforts.

18. Comments had also been made on the Secretariat's piecemeal approach to reform, which would cause the budget for the biennium 2008-2009 to swell by some \$1 billion, on the risks of duplication, and on the failure to anticipate possible synergies and rationalization of the work of the Department of Political Affairs, the Department of Peacekeeping Operations and entities promoting development.

19. While his delegation took issue more with the form than the content of the report, the matters under discussion went beyond the prevention of conflict, which was being brandished as a distraction in the knowledge that no Member State would be opposed to it because it underpinned the very rationale of the Organization.

20. The answer could only be found by asking other troublesome questions which confronted the lack of rigour in the Committee's work, which was becoming increasingly politicized. The Joint Coordinating Committee of the Group of 77 and China and the Non-Aligned Movement had pointed out that phenomenon and called for consultation to secure a mandate before the matter returned to the Fifth Committee to obtain the necessary financial resources. Despite its logic, that approach had not been adopted.

21. Moreover, the wish of the largest group of States in the General Assembly to see a corrigendum to the report of the Secretary-General issued had not been acted upon, even though one corrigendum already existed. The path which the Secretariat had followed raised the question of why it appeared to have a new strategy of evading a transparent, democratic debate, as had already occurred with the establishment of the post of Special Adviser "on the responsibility to protect", in order to impose particular concepts or reform measures through the simple expedient of budget allocations.

22. That trend would only serve to create a worse credibility gap, arouse suspicion as to the genuine motivation for any and all Secretariat reform proposals and cause an entire group of States to distance itself from such proposals. His delegation therefore shared the reservations of the Advisory Committee and looked

forward to an additional report defining the mandates and terms of reference for the reform in question. In future, the Fifth Committee should not be manipulated for political ends, and should confine itself to its proper responsibilities.

The meeting rose at 3.35 p.m.

In the absence of Mr. Ali (Malaysia), Mr. Torres Lépori (Argentina), Vice-Chairman, took the Chair.

The meeting was called to order at 10.15 a.m.

Agenda item 128: Programme budget for the biennium 2008-2009 (continued)

Estimates in respect of special political missions, good offices and other political initiatives authorized by the General Assembly and/or the Security Council (A/62/7/Add.37 and A/62/512/Add.6)

1. **Ms. Van Buerle** (Director, Programme Planning and Budget Division), introducing the Secretary-General's report on estimates in respect of special political missions, good offices and other political initiatives authorized by the General Assembly and/or the Security Council (A/62/512/Add.6), said that the report contained the budget proposals for 2008 for the Special Envoy of the Secretary-General for Lord's Resistance Army-affected areas, the United Nations Representative to the International Advisory and Monitoring Board and the Office of the Special Envoy of the Secretary-General for the Future Status Process for Kosovo (UNOSEK), and the revised budgets for 2008 for the United Nations Mission in Nepal (UNMIN) and the United Nations Political Office for Somalia (UNPOS).
2. The Office of the Special Envoy of the Secretary-General for the Lord's Resistance Army-affected areas had been established pursuant to the exchange of letters between the Secretary-General and the President of the Security Council dated 21 November 2007 (S/2007/719) and 6 December 2007 (S/2007/720) respectively. Its proposed staffing resources for 2008 provided for a total of 10 positions, comprising eight international staff and two national staff. The total proposed financial resource requirements for the Office of the Special Envoy in 2008 amounted to \$2,536,600 net (\$2,738,400 gross).
3. The most recent extension of the mandate and membership of the International Advisory and Monitoring Board was contained in Security Council resolution 1790 (2007), by which the mandate of the Board had been extended to 31 December 2008. The total requirements for the Board in 2008 amounted to \$64,600 for non-post requirements.

4. Given recent developments in Kosovo, it had been decided not to extend UNOSEK beyond 31 March 2008. The following month would be set aside for liquidation. The proposed staffing resources for UNOSEK in 2008 provided for a total of 11 positions. The total proposed financial resource requirements for UNOSEK amounted to \$620,800 net (\$707,100 gross) for three months of operations and one month of liquidation.

5. The Security Council had established UNMIN pursuant to its resolution 1740 (2007) and had decided to extend the mandate of the Mission for six months by its resolution 1796 (2008). The proposed staffing resources for UNMIN in 2008 provided for a total of 887 positions, comprising 263 international staff, 385 national staff and 239 United Nations Volunteers. The total additional resource requirements for UNMIN in 2008 amounted to \$40,236,700 net (\$43,840,700 gross).

6. The substantive staffing complement would be phased out at the end of July 2008, and liquidation would be completed by end-December 2008.

7. With regard to UNPOS, in his most recent exchange of letters with the President of the Security Council dated 24 December 2007 (S/2007/762) and pursuant to Security Council resolution 1772 (2007), the Secretary-General had recalled his letter dated 20 September 2007 (S/2007/566) recommending an integrated strategy for Somalia. The Security Council had taken note of that information in a letter dated 27 December 2007 from the President of the Security Council to the Secretary-General (S/2007/763).

8. The proposed staffing resources for UNPOS in 2008 provided for a total of 72 positions, comprising 44 international staff and 28 national staff. That would represent an addition of 33 positions to the approved budget for 2008. The total additional resource requirements for UNPOS in 2008 amounted to \$8,392,200 net (\$9,313,900 gross).

9. The total additional requirements for the aforementioned special political missions in 2008 amounted to \$51,850,900 net (\$56,652,000 gross). The General Assembly was requested to take note of the balance of \$17,322,800 in the overall provision for special political missions under section 3, Political affairs, of the programme budget for the biennium 2008-2009, and to appropriate an additional amount of

\$34,528,100 net (\$39,329,200 gross) under section 3 (A/62/512/Add.6, para. 147).

10. The Advisory Committee had requested, in paragraph 62 (a) of its related report (A/62/7/Add.37), that the adjusted amount should be provided to the General Assembly at the time of its consideration of the Secretary-General's proposals. The Advisory Committee's recommendations against the approval of four substantive positions for UNMIN would entail a reduction of \$154,300 net (\$183,200 gross).

11. Lastly, bearing in mind paragraph 57 of the report of the Advisory Committee, further information on UNPOS would be provided in informal consultations.

12. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/62/7/Add.37), said that the report contained the Advisory Committee's comments and recommendations on the additional requirements for the five special political missions included in the Secretary-General's report (A/62/512/Add.6) for the period from 1 January to 31 December 2008.

13. The Advisory Committee had made a number of comments and recommendations, both in its earlier report on special political missions (A/62/7/Add.29) and in its report on the strengthening of the Department of Political Affairs (A/62/7/Add.32). The Advisory Committee was recommending acceptance of the resources proposed by the Secretary-General for the United Nations Representative for the International Advisory and Monitoring Board and also for UNOSEK. With regard to the latter, the Advisory Committee noted that the budget proposal provided for a three-month operational budget for the period from 1 January to 31 March 2008 and a one-month liquidation budget from 1 to 30 April 2008. The Advisory Committee was also recommending approval of the additional resources proposed for the Office of the Special Envoy of the Secretary-General for the Lord's Resistance Army-affected areas, in order to support the efforts of the Special Envoy in facilitating the negotiations and supporting the implementation of the peace agreement during the current critical phase.

14. However, the Advisory Committee questioned the need for new positions at UNMIN at the present juncture, given the current vacancy situation and the length of time it normally took to recruit personnel. Elections were scheduled to take place in mid-April,

following which the Mission planned to completely phase out the substantive component by the end of July 2008. Accordingly, the Advisory Committee was recommending that some of the new proposed positions should be accommodated through redeployment and the flexible use of vacant positions.

15. With regard to the additional resources proposed by the Secretary-General for UNPOS, the Advisory Committee noted the Secretary-General's view that recent developments in Somalia presented a unique opportunity for the United Nations to provide enhanced political support to the peace process. However, the Advisory Committee was equally aware of the complex security situation on the ground, which precluded it from relocating to Somalia at the current time. Given the experience of 2007, it was still difficult to ascertain when it would be possible for the Special Representative of the Secretary-General and his team to eventually relocate from Nairobi to Somalia.

16. In that connection, the Advisory Committee noted that the Department of Safety and Security had been requested to assess the security situation in Somalia, the outcome of which would be taken into account in the envisaged phased relocation. At the same time, the Advisory Committee stressed the need to ensure the safety and security of United Nations personnel and to ensure that conditions permitted them to carry out their work. Furthermore, the Advisory Committee trusted that the structure of the Mission would be kept under review in the light of experience gained. It had requested that the recruitment of new staff should be evaluated in the context of the security situation in Somalia and that their deployment should be based on operational requirements.

17. The Advisory Committee had no objection to the budgetary proposals of the Secretary-General for UNPOS. However, in view of the observations just made, the Advisory Committee considered it unlikely that the totality of resources requested could be fully utilized. The Advisory Committee had therefore recommended that the Secretary-General should provide directly to the General Assembly, at the time of the consideration of his report, any updated information on the financial requirements for 2008, so as to enable the General Assembly to make a fully informed decision.

18. The recommendations outlined in the Advisory Committee's report would involve a reduction of

\$154,300 from the total additional requirements for special political missions proposed by the Secretary-General (\$51,850,900 net). The reduction was related to the Advisory Committee's recommendation concerning four of the 15 new positions proposed by the Secretary-General for UNMIN.

19. **Ms. Tomita (Japan)** expressed her delegation's concern regarding the late submission of the reports on special political missions, which made it difficult for the Fifth Committee to discharge its responsibilities. The Committee should not be placed in such an awkward situation in the future.

20. The rapid growth in special political mission budgets had undeniably been one of the driving forces behind the increase in the United Nations regular budget in recent years. However, the constant increase in special political mission budgets could lead to the mistaken belief that an expansion of the regular budget was inevitable. Her delegation would therefore examine the proposals carefully in the pursuit of budgetary efficiency.

21. She wished to express her sincere condolences to the families and colleagues of the staff members of UNMIN who had lost their lives in the recent helicopter crash in Nepal. With regard to that Mission's proposed budget, she noted that elections were scheduled to take place in mid-April and that the Mission's substantive component would be drawn down by the end of July 2008. In that context, the rationale behind the request for new positions at the current juncture had not been substantiated. Given the current vacancy situation of 159 positions and the length of time required for recruitment, the new proposed positions should be accommodated through redeployment and the flexible use of vacant positions.

22. With respect to operational costs, her delegation requested detailed information about the relevant facilities and infrastructure, especially concerning the breakdown of some equipment, in order to ensure sound planning and to mitigate such risks in future.

23. Her delegation intended to consider the proposed budget for the Office of the Special Envoy of the Secretary-General for the Lord's Resistance Army-affected areas while taking fully into account the role that the United Nations might play following the signature of the final peace agreement. To that end, it requested the Secretariat to provide detailed information on the specific role that the United Nations

would play in supporting the implementation of the final agreement.

24. Owing to the complex security situation on the ground in Somalia, her delegation agreed with the Advisory Committee that the recruitment of new staff for UNPOS should be evaluated in the context of the security situation and that their deployment should be based on operational requirements. She also sought a detailed explanation of how UNPOS would address the situation in Somalia while still based in Nairobi.

25. Lastly, she stressed that the recruitment and deployment of staff should be carefully planned on the basis of realistic assumptions and an accurate understanding of each stage during and after a conflict situation. It should also be borne in mind that an integrated approach might not be the optimal solution for every situation. Furthermore, the activities being undertaken by other United Nations bodies in Somalia should in no way be hindered by a premature deployment of the Mission.

26. **Mr. Butagira (Uganda)** recalled that, in his report on estimates in respect of special political missions (A/62/512), the Secretary-General had informed the Committee that new mandates for 2008 might arise for the Special Envoy of the Secretary-General for the Lord's Resistance Army-affected areas, which would result in revised estimates. The progress achieved since then had resulted in the report now before the Committee, which included upgrading the Office of the Special Envoy to a special political mission. In that connection, his delegation welcomed the fact that the establishment of the special political mission was intended to ensure proper funding for UNPOS and stressed its continued support for the important role played by the Special Envoy of the Secretary-General in the Juba peace talks between the Government of Uganda and the Lord's Resistance Army, under the mediation of the Vice-President of Southern Sudan.

27. However, while his delegation had noted the financial and staffing requirements proposed by the Secretary-General, as well as the comments of the Advisory Committee thereon, it would still require further clarification in order to make an informed decision on the proposals. Since the peace talks had almost concluded and only the implementation of the final peace agreement remained, his delegation wished to recommend the following actions: the present

skeletal staff should be maintained for the time being; the additional posts sought should be deployed as and when required, following the necessary consultations with the host Government; and the Kampala Liaison Office should be under the office of the Resident Coordinator.

28. Considerable progress had been made since the start of the Juba peace talks. Indeed, the final peace agreement was expected to be signed during the first week of April 2008. His delegation trusted that the Lord's Resistance Army leadership would show total commitment to the peace process by signing the agreement. For its part, his Government was fully committed to ensuring that the process bore fruit. It was equally committed to implementing all the aspects of previous accords, particularly with a view to the full implementation of the agreement on the principles of accountability and reconciliation, signed in June 2007. Naturally, the international community and development partners would also need to play their part in order to ensure the successful implementation of all the agreements.

29. His delegation welcomed the report of the Secretary-General announcing the intention to relocate UNPOS to Somalia, in view of the importance that it attached to peace, security and stability in that country. The deployment of a United Nations force to Somalia could go a long way towards addressing some of the challenges mentioned in the Secretary-General's report. In that regard, the United Nations should move quickly to finalize plans for the deployment of peacekeepers to replace the African Union Mission in Somalia (AMISOM). In the meantime, it called on the United Nations to support AMISOM by extending the necessary financial and logistical support and urged Member States to fulfil their pledges to provide troops to AMISOM. In that connection, his delegation noted with appreciation that one of the expected outputs for UNPOS in 2008 was the facilitation of six meetings between troop-contributing countries, the African Union and donors in support of the deployment of AMISOM. Uganda was proud that, by deploying its troops to Somalia, it had made a valuable contribution towards promoting peace and security in Somalia.

30. **Mr. Afifi** (Egypt) said that his delegation shared the concerns that had been expressed related to the continued late issuance of reports on special political missions. In that regard, he noted that the report of the Secretary-General on additional requirements for

special political missions for the period from 1 January to 31 December 2008 (A/62/512/Add.6) had been issued on 26 February 2008, which failed to comply with the six-week rule for the availability of documentation. Moreover, the related report of the Advisory Committee (A/62/7/Add.37) was dated 24 March 2008, which was only four days before the official end of the current session. In view of the fact that the already heavy workload was set to increase still further at the forthcoming sixty-third session, his delegation had decided to put forward proposals aimed at enabling the Advisory Committee to meet its deadlines for timely submission. Accordingly, his delegation would shortly seek constructive cooperation from other delegations in that regard.

Other matters

31. **Mr. Abdelmannan** (Sudan) recalled that the Committee, at its 27th meetings, had referred to a press release — subsequently confirmed as incorrect by the Chef de Cabinet of the Secretary-General — in which it had been announced that Mr. Edward Luck had been appointed as the new Special Adviser to the Secretary-General "on Responsibility to Protect". In that connection, he requested the Secretariat to clarify whether the error had been corrected in a subsequent press release issued in exactly the same manner as the erroneous one. If not, he requested the Secretariat to proceed accordingly. He also requested the Secretariat to provide Member States with a copy of the letter of appointment of Mr. Edward Luck so that they could verify the exact title of his post and the nature of his mandate.

32. **The Chairman** said that the Secretariat had taken note of those requests.

The meeting rose at 10.50 a.m.



General Assembly

Sixty-second session

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Fifth Committee

Summary record of the 36th meeting

Held at Headquarters, New York, on Friday, 28 March 2008, at 3 p.m.

Chairman: Mr. de Rijk (Vice-Chairman) (Netherlands)
*Chairman of the Advisory Committee on Administrative
 and Budgetary Questions:* Ms. McLurg

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Agenda item 128: Programme budget for the biennium 2008-2009 (*continued*)

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 the International Criminal Tribunal for Rwanda*

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 Services (*continued*)

Agenda item 126: Review of the efficiency of the administrative and financial
 functioning of the United Nations (*continued*)

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Agenda item 140: Administrative and budgetary aspects of the financing of United
 Nations peacekeeping operations (*continued*)

Strengthening investigations

Agenda item 133: Human resources management (*continued*)

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Agenda item 126: Review of the efficiency of the administrative and financial functioning of the United Nations (*continued*)

Questions deferred for future consideration

Completion of the work of the Fifth Committee at the first part of the resumed sixty-second session of the General Assembly

In the absence of Mr. Ali (Malaysia), Mr. de Rijk (Netherlands), Vice-Chairman, took the Chair.

The meeting was called to order at 4 p.m.

Agenda item 128: Programme budget for the biennium 2008-2009 (continued)

Special subjects relating to the programme budget for the biennium 2008-2009 (A/C.5/62/L.30)

Draft resolution A/C.5/62/L.30: Special subjects relating to the programme budget for the biennium 2008-2009

1. *Draft resolution A/C.5/62/L.30 was adopted.*

Conditions of service and compensation for officials other than Secretariat officials: members of the International Court of Justice and judges and ad litem judges of the International Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda (A/C.5/62/L.31)

Draft decision A/C.5/62/L.31: Conditions of service and compensation for officials other than Secretariat officials: members of the International Court of Justice and judges and ad litem judges of the International Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda

2. *Draft decision A/C.5/62/L.31 was adopted.*

Agenda item 134: Joint Inspection Unit (continued) (A/C.5/62/L.28)

Draft resolution A/C.5/62/L.28: Report of the Joint Inspection Unit for 2007 and programme of work for 2008

3. *Draft resolution A/C.5/62/L.28 was adopted.*

Agenda item 136: Report on the activities of the Office of Internal Oversight Services (continued)

Agenda item 126: Review of the efficiency of the administrative and financial functioning of the United Nations (continued)

Agenda item 128: Programme budget for the biennium 2008-2009 (continued)

Agenda item 140: Administrative and budgetary aspects of the financing of United Nations peacekeeping operations (continued)

Strengthening investigations (A/C.5/62/L.29)

Draft resolution A/C.5/62/L.29: Strengthening investigations

4. *Draft resolution A/C.5/62/L.29 was adopted.*

Agenda item 133: Human resources management (continued) (A/C.5/62/L.33)

Draft resolution A/C.5/62/L.33: Human resources management

5. *Draft resolution A/C.5/62/L.33 was adopted.*

6. **Mr. Hunte** (Antigua and Barbuda), speaking in explanation of position on behalf of the Group of 77 and China, said that delegations had worked hard to achieve a positive outcome. They were disappointed that their efforts had not brought about the desired result but would strive to make further progress in the fall.

7. **Mr. Muhith** (Bangladesh) said that his delegation attached great importance to streamlining contracts and improving the conditions of service of field staff. The Secretariat, the International Civil Service Commission and the Advisory Committee had provided adequate information, which should have enabled delegations to reach a consensus at the current session. Bangladesh deeply regretted that the agenda item was being deferred to the sixty-third session.

8. **Mr. Taula** (New Zealand), speaking on behalf of Canada, Australia and New Zealand (CANZ), said that the CANZ delegations also regretted that it had not been possible to reach a consensus on a more substantive resolution. They trusted that further progress would be made in the fall.

Agenda item 126: Review of the efficiency of the administrative and financial functioning of the United Nations (continued)

Questions deferred for future consideration (A/C.5/62/L.32)

Draft decision A/C.5/62/L.32: Questions deferred for future consideration

9. *Draft decision A/C.5/62/L.32 was adopted.*

Completion of the work of the Fifth Committee at the first part of the resumed sixty-second session of the General Assembly

10. **Ms. Simkić** (Slovenia), speaking on behalf of the European Union, said that the European Union regretted the Committee's failure to reach consensus on the strengthening of the Department of Political Affairs, especially since all Member States had affirmed the importance of preventive diplomacy. The reports had been issued well before the start of the first part of the resumed session and, if all parties had been willing to engage, it would have been possible to reach a consensus.

11. **Mr. Wagle** (Nepal) said that Nepal was on the verge of holding crucial elections and expressed his delegation's gratitude to the Secretariat and the United Nations Mission in Nepal (UNMIN) for their support.

12. **The Chairman** declared that the Fifth Committee had completed its work at the first part of the resumed sixty-second session of the General Assembly.

The meeting rose at 4.35 p.m.



General Assembly

Sixty-second session

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Fifth Committee

Summary record of the 37th meeting

Held at Headquarters, New York, on Monday, 5 May 2008, at 10 a.m.

Chairman: Mr. Ali (Malaysia)
later: Mr. Micánek (Vice-Chairman) (Czech Republic)
*Chairman of the Advisory Committee on Administrative
 and Budgetary Questions:* Ms. McLurg

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Agenda item 140: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Comprehensive review of the Strategic Military Cell

Agenda item 141: Financing of the United Nations Operation in Burundi

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Agenda item 140: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*)

*Updated financial position of closed peacekeeping missions as at
 30 June 2007*

Comprehensive report on the consolidation of peacekeeping accounts

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The meeting was called to order at 10.05 a.m.

Organization of work

1. **The Chairman** drew attention to the proposed programme of work for the first two weeks of the second part of the resumed sixty-second session of the General Assembly and to the note by the Secretariat on the status of preparedness of documentation (A/C.5/62/L.34).

2. **Mr. Hunte** (Antigua and Barbuda), speaking on behalf of the Group of 77 and China, commended the Chairman for his letter dated 22 April 2008 addressed to department heads concerning the late submission of documentation and proposed that it should be issued as a document of the General Assembly. In view of the Committee's heavy workload, it was regrettable that the late submission of reports had once again become cause for concern. The six-week rule for the availability of documentation, set out in various General Assembly resolutions, had not been complied with and, when introducing reports, Secretariat officials frequently failed to provide reasons for their delayed issuance.

3. While the Organization's total peacekeeping budget had increased significantly in recent years, the time allotted to Member States for consideration of the resource requirements and policy aspects of peacekeeping operations had gradually decreased. The present situation was unprecedented: one third of the reports to be considered at the second part of the resumed session would not be introduced until the final week and, thus far, the Advisory Committee on Administrative and Budgetary Questions had prepared reports on only five peacekeeping operations. The late submission of documentation undermined both the oversight role of the General Assembly and the ability of Member States to engage in detailed and informed consideration of the budgets of the various peacekeeping operations.

4. Urgent action was needed to remedy the situation. Member States should examine the difficulties affecting both the Secretariat and the Advisory Committee with a view to reaching a common understanding of how to address them. Furthermore, the Secretary-General and the Chairman of the Advisory Committee should provide formal responses to the concerns expressed by Member States, in

accordance with paragraph 5 of General Assembly resolution 50/206 C.

5. The problem was compounded by the fact that the meeting time allocated to the Advisory Committee had remained unchanged for over a decade, even though it was now having to deal with almost double the number of reports. The Advisory Committee should thus be authorized to meet on a 12-month basis so that it could address all the issues before it in a comprehensive, efficient and timely manner. Similarly, the conditions of service of the members of the Advisory Committee should be reviewed in order to eliminate a number of serious difficulties facing the majority of them and to enable the Advisory Committee to submit the high-quality reports that were expected of it.

6. Given the tentative nature of the proposed programme of work, the Group of 77 and China was not in a position to approve it beyond the first week of the resumed session. The Group trusted that the Bureau would amend the programme of work, as necessary, to reflect changes in the status of preparedness of documentation and progress made in negotiations. In that connection, it was imperative to ensure that adequate time and conference services were available to the Committee. Although the budgets of peacekeeping operations were time-bound, sufficient time should also be allocated to ensure that other issues of paramount importance, such as the new system for the administration of justice and procurement, received thorough consideration. The successful conclusion of the negotiations on those two items, in particular, would send the right signals to the Secretariat.

7. Lastly, in order to prevent a recurrence of the present situation, the Advisory Committee and the Secretariat should provide formal clarification of the status of preparedness of the reports to be submitted at the main part of the sixty-third session of the General Assembly, as well as assurances that those reports, in particular those relating to the development pillar, would comply fully with the relevant provisions.

8. **Ms. Simkić** (Slovenia), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania, Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, Armenia, Liechtenstein and Ukraine, echoed the concerns expressed by the representative of Antigua and Barbuda regarding the

late issuance of a number of important reports of the Secretary-General and the Advisory Committee, some of which had significant budgetary implications. The Chairman's letter of 22 April 2008, for which he should be commended, had accurately described the Committee's concerns.

9. The financing of the United Nations peacekeeping operations was a priority for the European Union, which was deeply committed to the Organization's primary role as maintainer of international peace and security. The European Union had contributed large numbers of troops, civilian police and other personnel to various peacekeeping missions and, collectively, it was responsible for a significant share of the total peacekeeping budget. The European Union had actively supported the strengthening of the United Nations peacekeeping operations and would continue working to ensure their effectiveness. However, that political commitment must go hand-in-hand with budgetary discipline and sound financial management. At the second part of the resumed session, the European Union would examine the budgets of the various operations with a view to providing them with the resources necessary to implement their mandates. Depending on the timely availability of the relevant documentation, it also stood ready to discuss other issues, such as the administration of justice and information and communications technology/enterprise resource planning.

10. **Mr. Heller** (Mexico), speaking on behalf of the Rio Group, expressed concern over the late issuance of reports and called on the Secretariat and the Advisory Committee to explain the reasons for those delays and to propose appropriate solutions.

11. The Fifth Committee must provide the Secretary-General with the resources needed to carry out the mandates of the various peacekeeping operations, in accordance with the aims and principles enshrined in the Charter of the United Nations. However, the Rio Group was concerned about the resource requirements for those operations and took the view that resource levels should be adequately justified with a view to ensuring maximum efficiency. Effective oversight was also essential if those resources were to be allocated and used in a transparent manner.

12. The Rio Group attached particular importance to the United Nations Stabilization Mission in Haiti

(MINUSTAH) and reaffirmed the need for urgent action by the international community to promote sustainable development and eradicate the scourge of poverty in Haiti. To that end, the States members of the Group had contributed significant numbers of troops and police to MINUSTAH and were also engaging in other forms of cooperation with the Haitian Government. In that regard, the data recovery and evacuation support provided to MINUSTAH by the International Research and Training Institute for the Advancement of Women (INSTRAW) was particularly commendable.

13. The Rio Group was committed to working constructively to reach an agreement on cross-cutting issues at the second part of the resumed session, to ensure that all peacekeeping operations were streamlined, effective and accountable. That should not, however, be interpreted as a cost-cutting exercise, since while the Organization should have coherent and standardized policies on peacekeeping operations, due consideration must be given to the distinct mandates and specificities of each operation.

14. Procurement was of the utmost priority for the Rio Group. The Organization's vendor base should be diversified so as to extend procurement opportunities to all Member States in a transparent and open manner and ensure equitable, fair and non-discriminatory treatment. It was to be hoped that the forthcoming negotiations on procurement would build on the progress made. As far as administration of justice was concerned, the Rio Group had already expressed its support for reform. Member States must now take the process forward so that the new system for the administration of justice could be gradually implemented from January 2009 on.

15. The Rio Group commended the Working Group on Contingent-Owned Equipment on the successful completion of its mandate and expressed the hope that the Fifth Committee would consider the report of the Working Group at the current resumed session. In that connection, reimbursements to troop-contributing countries should be made in a timely and efficient manner. Some countries had not been reimbursed for their participation in various ongoing and closed missions for more than a decade. The Secretariat must, therefore, continue to seek practical ways of addressing that issue equitably in all peacekeeping missions and should inform Member States, without delay, of the measures taken to that end.

16. Lastly, the Rio Group expressed concern that the Advisory Committee's report on strengthening the development pillar was not yet ready for consideration by the General Assembly. Development was an issue of fundamental importance to the States members of the Group, and they would therefore be grateful for updated information on the status of the report.

17. **Mr. Tawana** (South Africa), speaking on behalf of the African Group, welcomed the Chairman's letter dated 22 April 2008. The Group was reluctant to work under the prevailing conditions, in which the late issuance of documentation had become the rule rather than the exception. That practice was unacceptable, since it adversely affected the Committee's ability to achieve its objectives and potentially prevented it from reaching the best possible agreement on the budgets of the peacekeeping operations. At the current session, the Fifth Committee was due to consider peacekeeping budgets totalling around \$7.4 billion, as well as a number of non-peacekeeping items. Accordingly, sufficient time must be allocated to the Committee to ensure that it could reflect thoroughly on all the issues before it.

18. In accordance with paragraph 5 of General Assembly resolution 50/206 C, the reasons for the late issuance of a report should be indicated when the report in question was introduced. The Secretariat must take appropriate steps to comply with that provision without delay and should also ensure that it complied with the six-week rule for the availability of documentation. Furthermore, to enable the Fifth Committee to address the problem of late issuance, not only should managers be held accountable for the late submission of reports, they should also have to appear before the Committee to explain the reasons for the delay.

19. Peacekeeping-related issues were of the utmost importance to the African Group, which, at the current resumed session, would be devoting priority attention to time-bound matters. In that connection, the fact that the budgets of the two most recently established peacekeeping missions, namely the United Nations Mission in the Central African Republic and Chad (MINURCAT) and the African Union-United Nations Hybrid Operation in Darfur (UNAMID), were due to be introduced only two days before the closure of the second part of the resumed session gave particular cause for concern.

20. Lastly, the African Group stressed the importance of the development pillar and trusted that issues pertaining thereto would be considered at the beginning of the sixty-third session of the General Assembly.

21. **Mr. Taula** (New Zealand), speaking on behalf of Canada, Australia and New Zealand (CANZ), echoed previous speakers' concerns regarding the late issuance of documentation and the impact of that phenomenon on the Fifth Committee's programme of work, and welcomed the Chairman's efforts to raise those concerns with the Secretariat and the Advisory Committee. It was not wise or responsible to take decisions on complex and costly operations under pressure at the very end of the session. All those concerned — the Secretariat, Member States, the Advisory Committee and the Bureau — should work together to identify ways of preventing a recurrence of the present situation.

22. **Mr. Rashkow** (United States of America) said that the Organization's peacekeeping missions involved more military and civilian peacekeepers than ever before. Indeed, the proposed budgets for current peacekeeping missions to be examined and adopted by the Committee at the second part of the resumed session amounted to \$7.4 billion — almost twice the size of the budget for the biennium 2008-2009. In the light of such record costs, Member States, which had a responsibility to their respective Governments to ensure that resources were used efficiently, effectively and transparently, must be given adequate time to review the management and organization of each mission.

23. He noted that the proposed budgets of several large and expensive peacekeeping missions would not be introduced until late in the resumed session. His delegation, while understanding the challenges faced by those responsible for preparing the budgets in question at Headquarters and in the field, fully endorsed the concern regarding the submission of reports expressed by the Chairman in his letter of 22 April 2008.

24. Ways must be found of ensuring that the Fifth Committee and the Advisory Committee had sufficient time to examine those budgets closely. The Fifth Committee should not be asked to conduct a review and approve budgets in a matter of days. The Secretary-General bore ultimate responsibility for

ensuring timely performance by the Secretariat and must therefore work with the heads of the relevant departments to ensure that the problem was addressed effectively. His delegation looked forward to working with others in the Fifth Committee and with the Secretariat to ensure that, in future and despite the challenges involved, the Committee received such reports well before the start of its sessions, in accordance with the requirements laid down by the General Assembly.

25. **Mr. Mukai** (Japan) endorsed the concerns raised and expressed support for the Chairman's letter of 22 April 2008. All documentation should have been made available two weeks before the start of the second part of the resumed session, particularly given the size of the proposed peacekeeping budgets.

26. Member States had been informed that the Fifth Committee's and the Advisory Committee's schedules for the coming year had already been fixed and could not be changed. However, Member States must have sufficient time to consider large and complex peacekeeping budgets. In that regard, the fact that the reports on the African Union-United Nations Hybrid Operation in Darfur and the United Nations Mission in the Central African Republic and Chad were currently scheduled to be introduced just a few days before the end of the second part of the resumed session was unacceptable; they should be introduced at least one week earlier. The Committee's programme of work should be determined by the priority and urgency that Member States attached to individual issues. One way to address the problem was for the parties concerned to communicate more and to better synchronize their work.

27. His delegation acknowledged the Advisory Committee's concern that its winter session, originally extended to allow sufficient time to consider peacekeeping budgets and other related issues, was now often used to consider issues unrelated to peacekeeping. Such an excessive burden on the General Assembly resulted in the late submission of documents by the Department of Peacekeeping Operations. In that connection, he recalled the recommendation by the Office of Internal Oversight Services (OIOS) that the Department of Management and the Department of Peacekeeping Operations should take immediate steps to reorganize the budget process and consolidate related functions (A/60/717, summary).

28. Time-bound peacekeeping budgets should be given priority at the resumed session; other, unrelated issues should be addressed at the main part of the sixty-third session.

29. **Mr. Abdelmannan** (Sudan) said that the late issuance of reports, particularly those relating to time-bound issues such as the financing of peacekeeping operations, was a source of concern for all delegations. The Secretariat had been asked to issue reports on time by Member States, repeatedly, and by the Chairman, in his letter of 22 April 2008. In the absence of a response from the Secretariat, it was clearly time for a new strategy.

30. Member States should discuss the issue among themselves and come up with a solution. One would be to assign the issue its own agenda item, starting at the sixty-third session and until such time as it was resolved; another would be to consider the issue as a separate matter in the context of the Secretary-General's reform proposals; another still would be to establish an open-ended working group. Any of those solutions would represent a practical way of addressing the issue and forcing the Secretariat to provide the Committee with a proper explanation.

31. **Ms. Samayoa-Recari** (Guatemala) said that, since the problem seemed to lie not with the Department of Peacekeeping Operations, which had submitted its reports on time, but with the Department of Management, perhaps the Under-Secretary-General for Management should appear before the Committee to explain the problem. That way, instead of simply discussing the same problem year after year, the Organization might actually find a solution.

32. The Under-Secretary-General for Management should also attend the next formal meeting of the Committee in order to explain why the P-3 post for the Permanent Forum on Indigenous Issues mentioned in resolution 62/236 had still not been filled.

33. **Mr. Karla** (Peacekeeping Financing Division), speaking as Officer-in-Charge of the Peacekeeping Financing Division, said that the Secretariat shared the concerns raised and took deadlines very seriously. However, there were a number of legitimate reasons for the delay in the issuance of reports. They included a greater need for consultation than anticipated, delays in the receipt of information from offices away from Headquarters, vacancies, an increased workload, the increased complexity and changing circumstances of

peacekeeping missions, and the Secretariat's ongoing efforts to ensure that reports met quality standards. The Secretariat was, however, taking steps to address the issue and would make a greater effort to facilitate the Committee's work.

34. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the late submission of documentation had seriously impacted the work of the Advisory Committee at its winter session. For all but a handful of peacekeeping operations, the required documentation had been submitted after 15 March 2008 for a session beginning on 5 February 2008. The documentation required for the Advisory Committee's consideration of the support account and the United Nations Mission in the Sudan (UNMIS), the African Union-United Nations Hybrid Operation in Darfur and the United Nations Mission in the Central African Republic and Chad, meanwhile, had not been received until after 10 April 2008. It should also be borne in mind that the Advisory Committee worked almost entirely with unedited advance versions of the Secretary-General's reports on peacekeeping operations, which were available only in English and were often subject to corrections, revisions and updates.

35. The late submission of documentation had direct consequences for both the Fifth Committee and the Advisory Committee. Increasingly, the latter had extremely limited time to consider important issues. It was not unreasonable for it to expect sufficient time to do its work properly. The delayed issuance of documentation had also affected the timing and scope of the Advisory Committee's general report on peacekeeping operations, which had to be prepared before the review of individual missions.

36. The problem of delayed issuance of documentation, while not new, had become worse in recent years. The Secretariat, the Advisory Committee and the Fifth Committee all suffered from, and contributed to, the problem.

37. The current procedures for considering the financing of peacekeeping operations stemmed from General Assembly resolution 49/233 A, adopted pursuant to a number of Advisory Committee reports and proposals. The initial idea had been for the Secretariat, on the basis of the best information available, to begin preparing peacekeeping budgets for

the following financial period in the autumn of each year, so that they could be submitted to the Advisory Committee no later than the end of the following January. The Advisory Committee had established a winter session precisely so that it could consider the peacekeeping-related reports of the Secretary-General in February and March. The Secretary-General's reports and the related reports of the Advisory Committee would then be submitted to the Fifth Committee in April, well before the start of the new financial period on 1 July.

38. The system had worked very well for a number of years but was now breaking down. The Advisory Committee had commented on the need for the Secretariat to ensure the timely submission of its proposals many times in the recent past. Unlike 10 or 15 years earlier, there were now well-established standards and methodologies for the preparation of peacekeeping budgets and performance reports, even those relating to new and complex missions. The need to create new mechanisms and test new procedures could no longer be used as an excuse for delays. Moreover, increased use of information technology had facilitated and accelerated communication between Headquarters and the field. Officials in the field needed to understand the importance of according high priority to the timely submission of complete information to Headquarters. In that connection, she noted the recent innovation of sending Abacus teams from Headquarters to the field. In addition, the post of Director of the Peacekeeping Financing Division should be filled without delay and communication between the Department of Peacekeeping Operations, the Department of Field Support and the Department of Management should be improved.

39. For its part, the Advisory Committee was seeking ways to make its own discussions more focused and to produce clear and concise reports providing straightforward recommendations to the Fifth Committee. In turn, the Fifth Committee needed to take account of the present situation and the fact that the numerous Fifth Committee and Advisory Committee requests with which the Secretariat was burdened hampered its ability to produce the necessary documentation. In addition, the Chairman and Executive Secretary of the Advisory Committee and the Chairman, Bureau and Secretary of the Fifth Committee should undertake continuous and close coordination in order to arrive at a reasonable and

achievable programme of work, thereby avoiding the need for constant revision of schedules. Good will, extra effort and cooperation on all sides would ensure the most judicious and efficient consideration of the Organization's needs by all concerned.

40. The Chairman said he took it that the Committee wished to approve the proposed programme of work on the understanding that adjustments would be made, as necessary, during the course of the session.

41. *It was so decided.*

Agenda item 149: Financing of the United Nations Observer Mission in Georgia (A/62/633, A/62/680 and A/62/781/Add.1)

Agenda item 153: Financing of the United Nations peacekeeping forces in the Middle East

(b) United Nations Interim Force in Lebanon (A/62/632, A/62/751, A/62/744 and A/62/781/Add.5)

Agenda item 140: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Comprehensive review of the Strategic Military Cell (A/62/744)

Agenda item 141: Financing of the United Nations Operation in Burundi (A/62/668 and A/62/781/Add.2)

Agenda item 154: Financing of the United Nations Mission in Sierra Leone (A/62/756 and A/62/781/Add.4)

42. Mr. Karia (Peacekeeping Financing Division), speaking as Officer-in-Charge of the Peacekeeping Financing Division, recalled that the estimated total sum requested for all peacekeeping operation budget proposals for the period from 1 July 2008 to 30 June 2009, the support account for peacekeeping operations and the United Nations Logistics Base was \$7.4 billion.

43. Introducing the performance report on the budget of the United Nations Observer Mission in Georgia (UNOMIG) for the period from 1 July 2006 to 30 June 2007 (A/62/633), he said that the General Assembly, in its resolution 60/273, had appropriated funding of \$33,377,900 and that expenditure had been \$32,297,900, leaving an unencumbered balance of

\$1,080,000, representing an implementation rate of 96.7 per cent.

44. The main causes of the variance were reduced expenditure on international staff because deployment to new missions had increased staff turnover, and lower air transportation requirements, because of a rationalized flight schedule for fixed-wing aircraft. The General Assembly was invited to decide how to treat the unencumbered balance of \$1,080,000, as well as other income and adjustments amounting to \$826,700.

45. Introducing the report of the Secretary-General on the budget for the United Nations Observer Mission in Georgia for the period from 1 July 2008 to 30 June 2009 (A/62/680), which represented a proposed total of \$34,740,700, he said that the sum concerned was \$269,100, or 0.8 per cent, lower than the resources approved for 2007/08.

46. The main causes of the variance were a reduced need for international staff because of the proposed abolition of two support component Field Service posts, and lower air transportation requirements, because of a reduction in the cost of flight hours for one fixed-wing aircraft and one helicopter. The General Assembly was invited to appropriate \$34,740,700 to maintain the Mission for the period from 1 July 2008 to 30 June 2009 and to assess that amount at a monthly rate of \$2,895,058, should the Security Council decide to continue the Mission's mandate.

47. Introducing the performance report on the budget of the United Nations Interim Force in Lebanon (UNIFIL) for the period from 1 July 2006 to 30 June 2007 (A/62/632), he said that the General Assembly, in its resolutions 60/278 and 61/250 B, had appropriated funding of \$496,615,500, and that expenditure had been \$495,735,600, leaving an unencumbered balance of \$879,900, representing an implementation rate of 99.8 per cent.

48. The main causes of the variance were a reduced military contingent requirement because of longer tours of duty and delayed deployment of some contingents, and increased requirements for international staff because faster deployment had resulted in lower-than-expected vacancy rates. The General Assembly was invited to decide how to treat the unencumbered balance of \$879,000, as well as other income and adjustments amounting to \$372,800.

49. Introducing the report of the Secretary-General on the budget for the United Nations Interim Force in Lebanon for the period from 1 July 2008 to 30 June 2009 (A/62/751), which represented a proposed total of \$688,813,300, he said that the sum concerned was \$24,773,500, or 3.5 per cent, lower than the resources approved for 2007/08.

50. The main causes of the variance were reduced facilities and infrastructure costs because of the projected completion of major construction projects in 2007/08, and lower naval transportation requirements, because the Maritime Task Force had been reconfigured. The General Assembly was invited to appropriate \$688,813,300 to maintain the Mission for the period from 1 July 2008 to 30 June 2009, to assess \$114,802,200 for the period from 1 July to 31 August 2008 and to assess \$574,011,100 for the period from 1 September 2008 to 30 June 2009 at a monthly rate of \$57,401,110, should the Security Council decide to continue the Force's mandate.

51. Introducing the report of the Secretary-General containing a comprehensive review of the Force's Strategic Military Cell (A/62/744), prepared in response to the request made by the General Assembly in its resolution 61/250 B, he said that the report clarified the role and functioning of the Cell, its relationship with the Department of Peacekeeping Operations Military Division, now the Office of Military Affairs, and described lessons learned in connection with the military planning of large-scale and complex existing and future peacekeeping operations. The General Assembly was invited to take note of the report.

52. Introducing the performance report on the budget of the United Nations Operation in Burundi (ONUB) for the period from 1 July 2006 to 30 June 2007 (A/62/668), he said that the General Assembly, in its resolution 61/9, had appropriated funding of \$128,536,700 and that expenditure had been \$118,534,100, leaving an unencumbered balance of \$10,002,600, representing an implementation rate of 92 per cent.

53. The main causes of the variance were a reduced requirement for the repatriation of military contingents and contingent-owned equipment, with one medical unit and its equipment being transferred to the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC) and one battalion

being transferred to the African Union Special Task Force in Burundi; and a reduced requirement for international staff because of the downsizing of the Mission and a higher-than-anticipated separation rate.

54. The General Assembly was invited to take note of the total amount of \$30,729,800 available, consisting of the unencumbered balance of \$10,002,600 and other income and adjustments amounting to \$20,727,200; to decide on the treatment of the \$24,337,000 of that amount of \$30,729,800 which represented the net cash available in the Special Account of the Operation; and to defer to its sixty-third session a decision, to be taken in the context of the final performance report of the Operation, on the treatment of the \$6,392,800 of that same amount of \$30,729,800 which represented the cash shortfall in the Special Account of the Operation as at 30 June 2007.

55. The financial status of the Operation as at 31 March 2008 indicated that the Operation's cash position had improved as a result of additional accrued interest income, savings on, or cancellation of, prior-period obligations and settlement of other receivables. As the total amount of \$30,729,800 could therefore be returned to the Member States, the General Assembly might wish to consider the full return of credits due for 2006/07.

56. Introducing the report of the Secretary-General on the financing of the United Nations Mission in Sierra Leone (UNAMSIL) (A/62/756), he indicated that the disposition of the Mission's assets had been undertaken in accordance with financial regulation 5.14. The total inventory value of those assets as at 31 December 2007 had been \$61,909,000, with one group of assets transferred to other missions or to temporary storage at the United Nations Logistics Base, one group sold or donated in the Mission area, and a final group classified as written off or lost. The General Assembly was invited to take note of the report.

57. *Mr. Mičánek (Czech Republic), Vice-Chairman, took the Chair.*

58. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee relating to the financial performance report for the period from 1 July 2006 to 30 June 2007 and proposed budget for the period from 1 July 2008 to 30 June 2009 of UNOMIG (A/62/781/Add.1), said that

the Advisory Committee recommended approval of the Secretary-General's proposals regarding UNOMIG for the period from 1 July 2008 to 30 June 2009. However, it once again expressed concern at the precarious financial situation of the Mission, as its current cash balance would not provide a three-month operating reserve.

59. While the Advisory Committee did not object to the intention to redeploy posts expressed in the proposed budget for 2008/09, a number of existing posts intended to cover particular functions were due to be redeployed to cover unrelated functions. In the interest of budgetary transparency, vacant posts no longer required should be abolished, and requests for new posts and upgraded posts should be fully justified.

60. The Advisory Committee recommended that the process of phasing out the services of security guards covered by an existing commercial contract and replacing them with security guards occupying newly created national General Service posts should be carefully monitored, and its results evaluated and reported in the next budget submission. It also recommended that the possibilities of support in respect of stock management from the United Nations Logistics Base to UNOMIG should be explored.

61. Introducing the report of the Advisory Committee relating to the financial performance report for the period from 1 July 2006 to 30 June 2007 and proposed budget for the period from 1 July 2008 to 30 June 2009 of UNIFIL (A/62/781/Add.5), she said that the Advisory Committee recommendations would entail a reduction of \$20,443,000 in the proposed budget of the Force for 2008/09. Having examined a revised projection of troop deployments, the Advisory Committee took the view that a delayed deployment factor of 5 per cent was more realistic than the factor of 1 per cent contained in the proposed budget. Accordingly, there would be a reduction of \$16,869,500 in military contingent requirements and a reduction of \$1,699,800 in contingent-owned equipment requirements. However, the Advisory Committee had requested updated information on the planned deployment schedule for 2008/09, to enable the Fifth Committee to take a more informed decision in that regard.

62. With regard to civilian personnel, the Advisory Committee recommended acceptance of the Secretary-General's proposals regarding proposed posts, except

that of Chief of the Joint Mission Analysis Cell (P-5) and that of Associate Political Affairs Officer in the Office of Political and Civil Affairs (P-2), being unconvinced of the need for either post.

63. Noting also that the proposed budget included provision for four general temporary assistance positions for the Strategic Military Cell, and expressing its intention to make comments and recommendations on the broader issue of the proposed incorporation of the core capacities of that Cell into the Office of Military Affairs in the context of its report on the Secretary-General's proposals for strengthening the Office (A/62/752), the Advisory Committee took the view that, as UNIFIL had moved beyond its expansion phase, the continued need for the Cell, at its current structure and strength, had not been clearly demonstrated.

64. That conclusion was reinforced by the consideration that the Strategic Military Cell had been established to deal with the particular military, security and operational demands which UNIFIL faced in implementing Security Council resolution 1701 (2006), and that the Secretary-General, in his report on the comprehensive review of the Cell (A/62/744), had proposed a phased downsizing. The Advisory Committee therefore recommended against approval of the senior civilian staff positions (1 D-1 and 1 D-2) for the Cell. It also recommended that the proposed provision of daily subsistence allowance for 29 military staff officers should be adjusted in the light of the planned downsizing of the Cell and in the light of responsibility for assistance to UNIFIL being transferred to the Office of Military Affairs as part of its established functions.

65. With regard to operational requirements, the Advisory Committee recommended a decrease of \$927,000 in the provision for communications. With regard to regional mission cooperation, the Advisory Committee noted that some United Nations Truce Supervision Organization (UNTSO) personnel operated within UNIFIL (Observer Group Lebanon) and the United Nations Disengagement Observer Force (Observer Group Golan), and was requesting the Secretary-General to review the administrative arrangements for UNTSO and reflect that review in the proposed programme budget for the biennium 2010-2011. Regretting that several audits and investigations for the Force had been delayed, the Advisory

Committee underlined that there must be sufficient oversight capacity in the region.

66. Introducing the report of the Advisory Committee relating to the financial performance report for the period from 1 July 2006 to 30 June 2007 of ONUB (A/62/781/Add.2), she said that the Advisory Committee was recommending that the \$24,337,000 net cash available in the Special Account of the Operation as at 30 June 2007 should be credited to Member States in a manner to be determined by the General Assembly. However, in a recent development which the Advisory Committee had not had time to consider, it appeared from the Mission's interim financial statements as at 31 March 2008 that cash reserves were sufficient to enable the Member States to receive full credit. Should the Advisory Committee not concur with the proposal of the Secretary-General to return the full sum to the Member States, the Fifth Committee would be informed accordingly.

67. Introducing the report of the Advisory Committee on the financing of UNAMSIL (A/62/781/Add.4), she said that the Advisory Committee recommended that the General Assembly should take note of the report of the Secretary-General describing the completion of the liquidation of the Mission's assets, the first part of that process having taken place by 30 June 2006, as described in the progress report of the Secretary-General (A/61/819).

Agenda Item 140: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (continued)

Updated financial position of closed peacekeeping missions as at 30 June 2007 (A/62/757)

Comprehensive report on the consolidation of peacekeeping accounts (A/62/726)

68. **Mr. Sach** (Controller), introducing the report on the updated financial position of closed peacekeeping missions as at 30 June 2007 (A/62/757), said that 15 of the 20 peacekeeping missions covered in the report reflected net cash surpluses totalling \$182 million. In his report on the consolidation of peacekeeping accounts (A/62/726), the Secretary-General had proposed that the cash surpluses should be returned to Member States, prior to consolidation.

69. The five cash-deficient peacekeeping missions covered in the report reflected a total cash balance of

just \$6 million, against total liabilities of \$94 million. Should the proposed consolidation of peacekeeping accounts be approved, those long-outstanding liabilities, which were largely claims from troop contributors, would finally be discharged.

70. The action to be taken by the General Assembly, subject to the approval of the Secretary-General's proposal to consolidate the peacekeeping accounts effective 1 July 2008 in accordance with the framework outlined in his report, was to decide to return to Member States credits available as at 30 June 2008 in closed peacekeeping missions with cash surpluses.

71. Turning to the report on the consolidation of peacekeeping accounts (A/62/726), he recalled that, in its resolution 61/278, the General Assembly had requested the Secretary-General to provide an updated comprehensive report on consolidation of peacekeeping accounts, including a simulation of the options proposed, taking into account the views expressed, questions raised and information requested by Member States at its sixty-first session.

72. Consideration had also been given to the consolidation of the accounts of only active missions, and of only closed missions, but no significant benefits had been identified. Consequently, the Secretariat's view was that the full consolidation of all peacekeeping accounts would yield the greatest benefits and, in addition, streamline all related administrative work.

73. At the end of April 2008, the total cash balance in all peacekeeping accounts had stood at \$3 billion, sufficient to meet all requirements, including the reimbursement of troop-contributing countries for both troops and contingent-owned equipment. However, since the cash was segregated in a separate peacekeeping account for each mission, payments to troop-contributing countries were constrained by the cash in each individual account. As a result, payments to troop-contributing countries were a few months behind in most peacekeeping missions. In some missions, such as the United Nations Mission for the Referendum in Western Sahara (MINURSO) and the United Nations Peacekeeping Force in Cyprus (UNFICYP), payments were outstanding owing to the lack of cash in those missions.

74. If consolidated, the cash balances would be combined and payments to troop-contributing countries

would become more timely and predictable. A simulation had shown that, if peacekeeping accounts had been consolidated, payments could have been increased by 20 per cent in 2007. Consolidation would have made it possible to reimburse the outstanding \$68.2 million owed to troop- and police-contributing countries for the five closed missions and to discharge the long-outstanding liabilities in the cash-deficient closed missions.

75. In response to the concern regarding the need to maintain a direct link between peacekeeping assessments and the mandate periods approved for each mission by the Security Council, assessments would be issued four times during each financial period.

76. In addition to facilitating the timely reimbursement of troop-contributing countries, the proposed consolidation of peacekeeping accounts would simplify administrative processes for both Member States and the Secretariat; facilitate Member States' financial planning for funding future peacekeeping operations; facilitate the review of the financing of peacekeeping operations by the General Assembly, with increased focus on trends and significant operational issues; reduce the number of separate General Assembly resolutions, performance reports and financial statements; rationalize the workload of the Contributions Service, the Accounts Division and the Peacekeeping Financing Division of the Department of Management; and reduce editing, translation and printing costs.

77. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related reports of the Advisory Committee (A/62/816 and A/62/818), said that the credits available in closed peacekeeping missions should be returned to Member States, bearing in mind that it was for the General Assembly to decide on the disposition of such balances. In the Advisory Committee's view, the return of such credits did not depend on acceptance of the proposal to consolidate the accounts of peacekeeping operations. With regard to the problem of debts in cash-deficient closed missions, there was a need for fresh proposals, in addition to the proposal to consolidate the peacekeeping accounts.

78. The Secretary-General's report on the consolidation of peacekeeping accounts (A/62/726) was essentially a resubmission of the proposal

contained in the detailed report of the Secretary-General on investing in the United Nations (A/60/846/Add.3). New material had been provided in the annexes to the report, which contained updated information on the effect of consolidation simulated for 2007, a table on credits available in closed peacekeeping missions with cash balances as at 30 June 2007, a mock-up of financial statements for peacekeeping operations and an outline for the proposed consolidated performance report.

79. Drawing attention to the observations and recommendations of the Advisory Committee as set out in paragraphs 43 to 48 of its report on investing in the United Nations for a stronger Organization worldwide (A/60/870), she said that the Advisory Committee maintained the view that it was for Member States to decide whether or not to consolidate peacekeeping accounts.

80. **Mr. Blaj** (Slovenia), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania, Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, Armenia, Liechtenstein and Ukraine, said that the European Union agreed with the Advisory Committee that the Financial Regulations and Rules of the United Nations clearly provided that the balance of any appropriations should be returned to Member States after a period of 12 months. The Fifth Committee had almost reached agreement on the issue at the sixty-first session; however, an arbitrary link between the return of credits and reimbursements from cash-deficient closed missions had prevented it from doing so. For its part, the European Union considered that such a link was inappropriate.

81. The continued retention of funds and the outstanding liabilities in closed peacekeeping missions were unacceptable. The European Union therefore urged all Member States to pay their outstanding contributions in full, on time and without conditions. It would strive to find a solution that allowed for the balances from closed peacekeeping missions to be returned to Member States, to which they rightfully belonged.

82. The European Union welcomed the consolidation of peacekeeping accounts, as that would give the Secretary-General greater flexibility in using resources

for peacekeeping operations and facilitate a more timely reimbursement to troop-contributing countries.

83. **Mr. Gürber** (Switzerland) said that the consolidation of peacekeeping accounts would result in efficiency gains without the usual costs associated with reform measures. Member States should move forward on the Secretary-General's proposal, for the reasons outlined by the Controller.

84. Progress in the Fifth Committee was often hampered by excessive politicization of administrative issues and the constant deferral of items from one session to the next. Given the managerial and administrative advantages of the Secretary-General's proposal, the Committee should not allow political considerations to prevent it from taking swift action.

85. **Mr. Yamada** (Japan) said that two essential principles should be borne in mind when addressing the issue of closed peacekeeping missions. First, payment of assessed contributions was an obligation under the Charter of the United Nations; second, unencumbered appropriations should be returned to Member States, in accordance with the Financial Regulations and Rules of the United Nations. His delegation therefore agreed with the Advisory Committee that the return of credits to Member States did not depend on acceptance of the proposal to consolidate the accounts of peacekeeping operations and that the credits available in closed peacekeeping missions with cash surpluses should be returned to Member States. In that connection, he drew attention to General Assembly resolution 57/323, which specified the timing and amount of the credits to be returned.

86. The solution to the problem of debts in cash-deficient closed missions was to ensure that Member States paid their assessments in full and on time.

87. **Mr. Mukai** (Japan) said that his delegation was not ready to accept the proposed consolidation of peacekeeping accounts. Japan had serious doubts about the effectiveness of the proposal and was concerned that consolidation could have an adverse effect on the payment of arrears by some Member States.

88. While consolidation might have some benefits for timely reimbursement to troop- and police-contributing countries, the more fundamental cause of delayed reimbursement to those countries — non-payment of assessed contributions — must be addressed.

89. In accordance with the unique budgeting and assessment arrangements for peacekeeping missions, from which there must be no deviation, the Security Council decision establishing a mission's mandate allowed assessment letters to be issued to Member States for that mission. Failure to maintain a direct link between peacekeeping assessments and the mandate period approved for each mission by the Security Council would make it difficult for certain Member States, including Japan, to justify the payment of assessments. Delinking peacekeeping assessments and mandate periods could also undermine budgetary discipline and prejudice the Security Council's deliberations.

90. There were no grounds for treating each peacekeeping mission as a section of the total peacekeeping budget, by analogy with the regular budget. Japan agreed with the Advisory Committee that the scope and quality of information provided on the financing of peacekeeping operations should remain undiminished. In order to enhance accountability and justify the constant increases in the peacekeeping budget, there was a need for more detailed information and mission-by-mission breakdowns of resource requirements.

91. **Ms. Samayoa-Recari** (Guatemala) said that her delegation agreed with the Advisory Committee that the credits available in closed peacekeeping missions with cash surpluses should be returned to Member States. However, a number of the States requesting reimbursement were still in arrears in respect of certain peacekeeping operations. It might be appropriate to consider that question under the agenda item on improving the financial situation of the United Nations.

92. Closed peacekeeping missions and the consolidation of peacekeeping accounts were separate issues and should be dealt with as such in informal consultations.

93. Guatemala supported the reimbursement of troop-contributing countries in full and on time. However, since the submission of the consolidation proposal, the situation had changed: the number of peacekeeping operations had increased and debts had continued to grow. It was questionable whether the consolidation of peacekeeping accounts would really make it possible to recover funds from States that did not pay on time. Her delegation would appreciate receiving a written response to that point in informal consultations.

The meeting rose at 12.05 p.m.